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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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JUL -1 2010

**COMMISSIONERS**

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BOB STUMP

2010 JUL -1 P 3:43

AZ CORP COMMISSION  
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SALT RIVER SOLAR & WIND, L.L.C.

DOCKET NO. E-01461A-10-0226

Complainant,

**TRICO ELECTRIC  
COOPERATIVE, INC. ANSWER  
TO FORMAL COMPLAINT**

v.

TRICO ELECTRIC COOPERATIVE, INC.

&

Respondent

**MOTION TO DISMISS**

Trico Electric Cooperative, Inc. ("Trico" or "Company"), through undersigned counsel, answers the complaint filed by Salt River Solar & Wind, Inc. ("Salt River Solar" or "Complainant") on June 11, 2010. Trico also respectfully requests that the Arizona Corporation Commission ("Commission") dismiss Salt River Solar's Complaint for the reasons explained below:

**ANSWER**

1. Trico denies the allegations at lines 14 through 17 of the Complaint. In response, Trico alleges that:

- a. all but one of the rebate requests at issue were made during the period when the 2009 Renewable Energy Standard Tariff Implementation Plan of Arizona Electric Power Cooperative, Inc. ("AEP CO"), on behalf of four of its member distribution cooperatives including Trico (hereinafter referred to as the "AEP CO 2009 REST Plan"), was in effect;
- b. the Commission approved the AEP CO 2009 REST Plan in Decision No. 70655 (December 18, 2008) (attached as Exhibit 1);

- c. each member cooperative, however, had separate renewable energy standard tariffs ("RES Tariff");
- d. the Commission approved Trico's RES Tariff in Decision No. 70168 (February 27, 2008) (attached as Exhibit 2), which was in effect during 2009;
- e. the remaining request, made on January 27, 2010 at 16651 South Lone Heart Road in Sahuarita, was made during when AEPCO's 2010 Restated and Amended Renewable Energy Standard Tariff Implementation Plan ("AEPCO 2010 Restated REST Plan") was in effect and filed on behalf of Trico and other member distribution cooperatives, and approved in Decision No. 71451 (January 6, 2010) (attached as Exhibit 3); and
- f. Trico's RES tariff associated with AEPCO's 2010 Restated REST Plan and approved in Decision No. 71453 (January 6, 2010) (attached as Exhibit 4) was in effect for 2010.

2. Regarding lines 19 through 22 of the Complaint, Trico admits only that SunWatts renewable generation program applications were submitted for the locations contained at Exhibit A to the Complaint and that Trico confirmed receipt of those applications. Trico further alleges that

- a. Salt River Solar is not a Trico customer;
- b. Trico denies that it owes anything to Complainant; and
- c. Trico has already provided or will provide customers rebates for the eligible distributed renewable systems at the locations at issue in an amount equaling \$146,775.25 (see Exhibit 5).

Trico denies any and all remaining allegations in lines 19 through 22.

3. Regarding lines 24 through 25 of the Complaint, Trico admits only that Salt River Solar has contacted Trico. Trico further alleges that based on the significant growth in the SunWatts program participation:

- a. Trico created a reservation waiting list and placed rebate requests on that list (including requests for the nine locations at issue);
- b. the expected payment date for each customer depends on the date that Trico received each customer's application, which is based on an allocation of rebate funds on a first come basis;
- c. Trico informed customers in a letter of where they were on the waiting list and provided an estimated timeframe as to when funding would be available to provide the rebate for the customer's respective renewable energy system (see Exhibit 6);
- d. the timing of the rebates is based on the amount Trico is collecting in accordance with its Commission-approved RES Tariff;
- e. Complainant was notified that Trico REST funds were exhausted in 2009 on September 14, 2009 (see Exhibit 7);
- f. Complainant was subsequently notified on September 22, 2009, that funds allocated for the Trico rebate program have been temporarily exhausted, that there would be a delay in receiving rebates, and that Trico was implementing a reservation process (see Exhibit 8); and
- g. customers for four of the locations listed in Exhibit A of the Complaint have received rebates in full including at 16391 West Boots Place in Tucson, 37987 South Desert Highland Drive in Tucson, 269 East Forrest Freezer Street in Vail, and 17561 South Indigo Crest Pass in Vail.

Trico denies any and all remaining allegations in lines 24 through 25.

4. Trico denies the allegations contained in lines 27 through 29 of the Complaint.

Trico further alleges that:

- a. Trico is paying SunWatts rebates in accordance with the Commission-approved decisions, AEPCO's REST Plans and Trico's RES Tariffs;

- 1 b. Staff found the Trico's reservation process was appropriate as stated in both  
2 Commission Decision Nos. 71451 and 71453;  
3 c. Complainant was notified on multiple occasions that funds were exhausted  
4 and that Trico is implementing a reservation process; and  
5 d. Salt River Solar alleges no act or omission of Trico that is a violation of any  
6 Commission rule or order, or of Arizona law as required by A.R.S. § 40-  
7 246(A).

8 5. Trico denies the allegations in lines 27 through 29 of the Complaint. Trico further  
9 alleges that:

- 10 a. Trico is paying rebates in accordance with Commission-approved orders;  
11 b. there is no authority to justify the relief Complainant seeks; and  
12 c. customers for four of the locations listed in Exhibit A of the Complaint have  
13 received rebates in full including at 16391 West Boots Place in Tucson,  
14 37987 South Desert Highland Drive in Tucson, 269 East Forrest Freezer  
15 Street in Vail, and 17561 South Indigo Crest Pass in Vail.

16 6. Trico denies the allegations in lines 31 through 32 of the Complaint. Trico further  
17 alleges that Complainant provides no authority to justify the relief it seeks.

18 7. Trico denies the allegations in lines 34 through 38 of the Complaint. Trico further  
19 alleges that:

- 20 a. Trico has provided rebates for four out of the nine locations listed in Exhibit A  
21 of the Complaint;  
22 b. Trico is paying rebates in accordance with Commission-approved orders;  
23 c. Complainant was notified on multiple occasions that funds were exhausted in  
24 2009; and  
25 d. there is no authority to justify the relief Complainant seeks.

26 8. Trico denies the allegations in lines 40 through 42 of the Complaint. Trico further  
27 alleges that there is a significant difference between Trico billing customers for electricity that

1 customers use and providing rebates which has a fixed funding mechanism under an approved  
2 tariff as an incentive to stimulate renewable projects, and the allegations in lines 40 through 42  
3 are irrelevant because Salt River Solar is not a customer.

4 9. Regarding the allegations in lines 44 through 46 of the Complaint, Trico is  
5 without sufficient information to form a belief as to the truth of the allegations contained  
6 regarding a feed-in tariff and denies the allegations on that basis in part and Trico further denies  
7 the allegations as immaterial.

8 10. Trico denies any and all allegations not specifically admitted to in this Answer.  
9

#### 10 **AFFIRMATIVE DEFENSES**

11 11. Complainant has failed to state a claim upon which relief may be granted.

12 12. Complainant has alleged no "violation[]" of any provision of law or any order or  
13 rule of the commission" as required by Arizona Revised Statute § 40-246(A). Trico has been  
14 paying rebates for eligible distributed renewable energy systems in accordance with AEPCO's  
15 REST Plan, its RES tariff and applicable Commission decisions.

16 13. Complainant is barred by claim preclusion and issue preclusion.

17 14. Any additional defenses which may apply after facts come to light in this case that  
18 support any or all of the affirmative defenses set forth in Rule 8(c), Arizona Rules of Civil  
19 Procedure, and hereby incorporates them by reference.

#### 20 **MOTION TO DISMISS**

21 Salt River Solar's Complaint should be dismissed because it fails to state any claim by  
22 which relief can be granted. Arizona Revised Statute § 40-246(A) requires that Salt River Solar  
23 allege a "violation[]" of any provision of law or any order or rule of the commission" in order to  
24 file a formal complaint. Complainant has failed to allege any violation of Commission rule or  
25 decision. Complainant is not a Trico customer, and no incentive is owed to Salt River Solar from  
26 Trico. In fact, Trico will provide rebates to its customers for the eligible distributed renewable  
27 systems at the locations at issue in an amount equaling \$146,775.25. Trico has placed customers

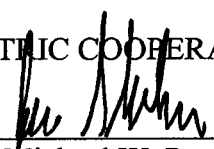
1 on a reservation waiting list and is allocating rebates in accordance with Commission-approved  
2 orders. Complainant cannot state any set of facts susceptible to proof by which it would be  
3 entitled to the relief it seeks, even if its Complaint is read in a light most favorable to Salt River  
4 Solar. Therefore, the Complaint must be dismissed.

5 WHEREFORE, having fully answered Salt River Solar's Complaint, Trico requests that  
6 the Commission issue a Decision dismissing the Complaint; and

- 7 1. Denying any and all relief sought by Salt River Solar  
8 2. Dismissing Salt River Solar's Complaint; and  
9 2. Granting such further relief as this Commission deems just and reasonable.

10 RESPECTFULLY SUBMITTED this 18 day of July 2010.

11 TRICO ELECTRIC COOPERATIVE, INC.

12 By   
13 Michael W. Patten  
14 Jason D. Gellman  
15 Roshka, DeWulf & Patten, PLC  
16 400 East Van Buren Street, Suite 800  
17 Phoenix, Arizona 85004

18 Attorneys for Trico Electric Cooperative, Inc.

19 Original and 13 copies of the foregoing  
20 filed this 18 day of July 2010 with:

21 Docket Control  
22 Arizona Corporation Commission  
23 1200 West Washington Street  
24 Phoenix, Arizona 85007

25 Copy of the foregoing hand-delivered/mailed  
26 this 18 day of July 2010 to:

27 Mike Fricker  
General Manager/Owner  
Salt River Solar & Wind, L.L.C.  
13370 West Foxfire Road, Ste 104  
Surprise, Arizona 85374

1 Lyn A. Farmer, Esq.  
2 Chief Administrative Law Judge  
3 Hearing Division  
4 Arizona Corporation Commission  
5 1200 West Washington Street  
6 Phoenix, Arizona 85007

7 Janice Alward, Esq.  
8 Chief Counsel, Legal Division  
9 Arizona Corporation Commission  
10 1200 West Washington Street  
11 Phoenix, Arizona 85007

12 Steven Olea  
13 Director, Utilities Division  
14 Arizona Corporation Commission  
15 1200 West Washington Street  
16 Phoenix, Arizona 85007

17 By Debbie Amara

# Exhibit

“1”

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **MIKE GLEASON**  
Chairman  
3 **WILLIAM A. MUNDELL**  
Commissioner  
4 **JEFF HATCH-MILLER**  
Commissioner  
5 **KRISTIN K. MAYES**  
Commissioner  
6 **GARY PIERCE**  
Commissioner

Arizona Corporation Commission

**DOCKETED**

**DEC 18 2008**

DOCKETED BY

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7  
8 **IN THE MATTER OF ARIZONA ELECTRIC**  
POWER COOPERATIVE, INC.  
9 **APPLICATION FOR APPROVAL OF THE**  
2009 RENEWABLE ENERGY STANDARD  
10 **AND TARIFF PLAN**  
11  
12

DOCKET NO. E-01773A-08-0333

DECISION NO. 70655

ORDER

13 Open Meeting  
December 16 and 17, 2008  
14 Phoenix, Arizona

15 BY THE COMMISSION:

16 **FINDINGS OF FACT**

17 1. Arizona Electric Power Cooperative, Inc. ("AEP CO") and its Arizona member  
18 distribution cooperatives are certified to provide electricity as public service corporations in the  
19 state of Arizona.

20 2. On June 30, 2008, AEP CO filed the 2009 Renewable Energy Standard and Tariff  
21 ("REST") Plan on behalf of four of its Arizona member distribution cooperatives in compliance  
22 with Arizona Administrative Code ("A.A.C.") R14-2-1801 through R14-2-1816. The four  
23 distribution cooperatives are Duncan Valley Electric Cooperative, Inc. ("Duncan Valley"),  
24 Graham County Electric Cooperative, Inc. ("Graham County"), Mohave Electric Cooperative, Inc.  
25 ("Mohave"), and Trico Electric Cooperative, Inc. ("Trico").

26 3. According to AEP CO, to date, 51 new PV locations (49 residential and two  
27 commercial) and eight new residential wind generating systems have been installed in the  
28 participating Cooperatives' service territories. There is a total amount of 200 kW installed.

1 capacity from new PV installations and 18 kW of installed wind generation. AEPCO indicated  
2 that participation in its rebate program has substantially increased. AEPCO has further indicated  
3 that one hundred percent of the participating Cooperatives' renewable capacity comes from  
4 distributed generation with seventy three percent (73%) from residential customers and (27%)  
5 from commercial customers. To date, AEPCO has issued rebates totaling \$825,202 even though  
6 its budget for the rebate program was \$258,000. For the 2009 REST Plan, AEPCO has increased  
7 the budget for distributed generation projects to \$600,000.

8 4. AEPCO has indicated, that in response to a request for proposals ("RFP"), there  
9 have been two projects identified for further negotiations. Contract negotiations for one project  
10 have begun, and AEPCO anticipates finalizing the contract before the end of the year.

11 5. In addition, AEPCO expects the cost of administration and advertising to be  
12 approximately \$125,957 at the end of 2008. AEPCO indicated that in 2008, only one R&D  
13 expense was incurred. The participating Cooperatives and the City of Tucson Water Department  
14 initiated a joint investigation of the feasibility of a large-scale distributed generation PV project,  
15 potentially 1 MW, located on land owned by Tucson Water. The participating Cooperatives  
16 contributed \$13,500 for site assessment, which was done by a third party.

17 6. According to A.A.C. R14-2-1804, the annual renewable energy requirement in  
18 2008 is 1.75 percent of the total retail kWh sales. However, AEPCO states that less than one-tenth  
19 of a percent of the kWh sold by the participating Cooperatives in 2008 was generated by  
20 renewable resources. AEPCO states that the reason this percent is so small is because after  
21 attempting to procure renewable energy from third-party producers, AEPCO accepted a proposal,  
22 in response to an RFP, from an out-of-state supplier. Ultimately, the supplier did not sign the  
23 purchased power agreement.

#### 24 The 2009 REST Plan

25 7. The AEPCO 2009 REST Plan will assist four of its member distribution  
26 cooperatives ("the Cooperatives") in meeting the REST requirements. The 2009 REST Plan, called  
27 SunWatts, has four primary parts:

28 ...

1           **The SunWatts Green Energy Purchase Program**

2           8.       According to AEPCO, the Cooperatives will continue to offer this voluntary  
3 program in which retail customers can choose to support renewable energy by purchasing blocks  
4 of "green energy." The retail customers can purchase 50 kWh blocks of green energy at a cost of  
5 \$2.00 per block. AEPCO has indicated that, to date, there has been no customer participation in  
6 this program. Over the next five years, the Cooperatives anticipate adding 100 participants each  
7 year.

8           **The SunWatts Residential and Commercial Rebate Program**

9           9.       The SunWatts rebate program, offered in compliance with R14-2-1809, provides  
10 incentives to customers for installation of qualifying photovoltaic ("PV"), solar water heating, and  
11 small wind renewable systems. For PV and small wind systems up to 25 kW in size, the  
12 Cooperatives pay \$4.00 per installed watt, up to 50 percent of the total cost of the system. For PV  
13 and small wind systems from 25.1 kW to 50 kW in size, the Cooperatives provide incentives of  
14 \$3.00 per installed watt for up to 50 percent of the total system cost. Any PV or small wind  
15 system larger than 50 kW would be handled on a case-by-case basis through negotiated contracts.

16          10.      For residential solar water heating systems, the Cooperatives would provide a  
17 rebate of \$0.75 per kWh of energy saved during the system's first year of operation. This is based  
18 on the OG-300 ratings of the Solar Rating and Certification Corporation. The \$0.75 rebate is an  
19 increase from \$0.50 per kWh rebate in AEPCO's Amended and Restated EPS/REST Plan  
20 approved on July 30, 2007 in Decision No. 69728. According to AEPCO, the per kWh rebate  
21 increase is to conform to the amounts proposed by the Uniform Credit Purchase Program  
22 ("UCPP") Working Group. After accounting for and applying all federal and state incentives, the  
23 customer contribution to the solar water heating project cost will be at least 15 percent of the total  
24 project cost.

25          11.      In the AEPCO 2009 REST Plan, the Cooperatives are proposing to add the  
26 following four new renewable technologies: Biomass, Biogas, Daylighting, and Solar Space  
27 Cooling. To support these new technologies, the Cooperatives would use the incentive,  
28 specifications, and criteria developed by the UCPP Working Group.

12. The rebate for the Daylighting program would be \$0.20 per kWh saved during the first year. The Biomass, Biogas, and Solar Space Cooling programs would offer Production-Based Incentives ("PBI") paid for Renewable Energy Credits ("REC") over a ten-year period for actual measured output. The following incentives would be applied to the Biomass/Biogas technologies: \$0.06 per kWh for electric generation, \$0.035 per kWh for CHP-electric, \$0.018 per kWh for CHP-thermal, \$0.015 per kWh for thermal, and \$0.032 per kWh for cooling. The Solar Cooling PBI will last for 10 years at \$0.129 per measured kWh.

13. Staff recommends that, if the Commission approves a UCPP, that AEPCO and the participating Cooperatives should be required to develop a mechanism to incorporate UCPP procedures and incentive levels for all eligible technologies in its proposed REST Plans for later years. To the extent that AEPCO believes that different incentive levels than those of the UCPP are justified, particularly in remote, rural areas, AEPCO could develop such proposals.

14. The AEPCO 2009 REST Plan indicates that the Cooperatives would commit one-half of the surcharge funds that are collected in 2009 to the distributed generation rebate program. Of the funds collected for the distributed generation rebate program one-half would be designated for residential distributed projects. Any allocated funds not used in a particular year would roll over to the following year and may be used in subsequent years to support any program.

**The SunWatts Large-Scale Purchase Power Contract Program**

15. The second project, the Joint Development Group, which is made up of generation utilities from California and Arizona, is negotiating the development of a large-scale (250 MW) Concentrated Solar Generation Project. According to AEPCO, they are exploring the potential of ownership or a purchased power agreement for 2.5 MW to 10 MW for 20-30 years. In addition, the Cooperatives plan to purchase Renewable Energy Credits from non-utility renewable energy generators for 2.5 cents per kWh that will vary in size depending upon availability.

**The SunWatts Large-Scale Generating Program**

16. The large-scale Generating Program will have the Cooperatives, as a group or in partnership with others, install and operate utility-sized renewable generating units. According to AEPCO, the Cooperatives are evaluating two potential projects:

1        17.    Solar Plant-Tucson-AEPCO, Trico, and the other Cooperatives have begun  
2 discussions with the City of Tucson about the potential for building a jointly-owned solar  
3 generating plant in the Avra Valley on land owned by the City of Tucson. According to AEPCO,  
4 the City of Tucson has chosen a developer to build a 1 MW PV Plant on the site. The  
5 Cooperatives and the City of Tucson would negotiate an agreement regarding the energy and  
6 renewable energy credits generated by the plant. The City of Tucson plans to complete this plant  
7 in 2009.

8        18.    Trico Solar Generating Station-Trico owns ten acres of land that are adjacent to its  
9 headquarters that it wants to use as the site of a PV generating facility. The facility would be  
10 partially paid for using REST surcharge funds. Trico plans to seek sponsors, donations, grants,  
11 and various fee waivers to help reduce the cost of the facility. Because the proposed facility would  
12 provide energy to Trico's grid, Trico is proposing to replenish REST funds based on the cost of  
13 wholesale energy for each kilowatt-hour generated by the facility. The Cooperatives plan on the  
14 first phase of 25 kW to 50 kW to be constructed in 2009.

15    **Other Programs**

16        19.    PV for Schools Program-The Cooperatives propose to award a 5 kW PV system to  
17 four schools at no cost to the schools. The Cooperatives' Environmental Portfolio Standard  
18 Committee, using a competitive application process, will choose one school that is in or near each  
19 Cooperative's service area. AEPCO indicated that the budget for this program would not exceed  
20 \$180,000.

21        20.    Habitat for Humanity Program-The AEPCO 2009 REST Plan would continue  
22 AEPCO's partnership with Habitat for Humanity to offer renewable energy options to low-income  
23 housing in the Cooperatives' service areas. Up to five projects would be undertaken each year and  
24 the budget would not exceed \$50,000, an increase from a \$30,000 budget from last year's plan.

25        21.    Educational Grant Program-The Cooperatives would continue to offer one teacher  
26 in each Cooperative service territory an annual education grant of no more than \$5,000 for the  
27 development of renewable curricula for the classroom.

28    ...

22. AEPCO Headquarters PV Installation-AEPCO has completed a large 25 kW PV installation facility to provide part of the power requirements at its headquarters facility in Benson, Arizona.

**Administrative, Advertising/Promotion, and Research and Development**

23. In its 2009 REST Plan, AEPCO indicated that the participating Cooperatives do not expect to use more than fifteen percent (15%) of the total funds collected on administrative (5%), advertising/promotion (5%), and research and development ("R&D") (5%) expenses. However, AEPCO has budgeted \$135,779 for program administration which is approximately ten percent (10%) of the total REST budget for 2009. The participating Cooperatives have jointly developed and executed a plan for advertising and promotion of the SunWatts programs. This budget for this item would also be \$135,779 (10%) of the total REST budget for 2009.

24. In addition, although no R&D is scheduled for 2009, AEPCO states that it would continue to allocate \$20,000 for R&D. According to AEPCO, the \$20,000 allocated for R&D would cover any potential R&D expenses for the proposed Trico Solar Generating Station Project.

**Budget**

25. AEPCO initially expected to collect \$2,718,032 from the REST surcharge in 2009. However, AEPCO has indicated that \$1,626,836, instead of the \$2,718,032, is expected to be collected.

26. The following table indicates the estimated REST funds that would be collected in 2009 by each Cooperative:

	Duncan Valley	Graham County	Mohave	Trico	Total
Residential	\$19,000	\$82,539	\$402,523	\$393,285	\$897,347
Small Commercial	\$18,700	\$95,278	\$388,773	\$52,553	\$555,304
Large Commercial	\$0.00	\$5,245	\$41,169	\$78,011	\$124,425
Government/Agricultural	\$0.00	\$9,096	\$0.00	\$39,260	\$48,356
Industrial	\$0.00	\$0.00	\$0.00	\$1,404	\$1,404
Totals	\$37,700	\$192,158	\$832,465	\$564,513	\$1,626,83

27. The following table indicates the estimated REST budget needed in order to meet the REST requirements for 2009:

Category	\$ Amount of Total
Rebate Program	\$600,000
PV	\$475,000
Wind	\$25,000
Solar Water Heating	\$50,000
Daylighting	\$25,000
Other*	\$25,000
LS**Purchase Power Contract Program	\$37,500
LS Generating Program	\$200,000
PV for Schools Program	\$180,000
Habitat for Humanity	\$50,000
Educational Grant Program	\$5,000
Advertising/Administration	\$271,558
Research and Development	\$20,000
<b>Total</b>	<b>\$ 1,364,058</b>

\*Other=Biomass, Biogas, and Solar Cooling

\*\*LS=Large Scale

28. AEPCO anticipates collecting from the participating Cooperatives a total of \$1,626,836. As a result, there is a difference of \$262,778 between the 2009 AEPCO Budget of \$1,364,058 and what AEPCO anticipates collecting from the Cooperatives. AEPCO states that the potential surplus of \$262,778 could help fund the increased demand in distributed generation renewable installation rebates in 2009. In addition, AEPCO is contemplating expanding the Trico Solar Generating Station to 50 kW which could impact the budget by an additional \$200,000. AEPCO has also indicated that an additional utility-owned project is being considered which could be funded by the \$262,778 potential surplus. AEPCO also states that a surplus could delay the need for an increase in the REST surcharge in future years. AEPCO has indicated that there is a carry-over balance of approximately \$1,448,000 from 2008 that will help fund the 2009 REST Budget.

#### **Tariffs**

29. AEPCO states that the RES Tariff, Voluntary RES Contribution Program Tariff, and the Customer Self-Directed Tariff for each Cooperative that is currently on file with the Commission, in combination with funds carried over from previous years, would be adequate to ...

1 fund the 2009 REST Plan. Therefore, the participating Cooperatives would not be filing new  
2 tariffs in conjunction with the AEPCO 2009 REST Plan.

3 **Staff's Review of the AEPCO 2009 REST Plan**

4 30. Staff believes the SunWatts Green Energy Purchase Program should be continued  
5 without change. Customers who volunteer to purchase renewable energy would continue to see  
6 the specific amount of renewable energy their contributions are supporting.

7 31. Staff has reviewed the SunWatts Residential and Commercial Rebate Program and  
8 believes that it should be approved with AEPCO's proposed changes. The 2009 SunWatts  
9 Residential and Commercial Rebate Program has incorporated Staff's recommendations that were  
10 approved in Decision No. 69728. The Program has increased the incentives for solar water heating  
11 systems and has included incentives for additional renewable technologies.

12 32. In addition, AEPCO has also increased the available rebate fund amount to  
13 \$600,000 or approximately 44% of the total 2009 REST Budget although AEPCO has committed  
14 to reserving one half of the surcharge funds collected for the Residential and Commercial Rebate  
15 Program. Staff believes that a portion of the carry-over funds will assist in reaching 50% of the  
16 total budget. However, Staff believes that AEPCO and the participating Cooperatives should offer  
17 PBIs, that are consistent with the proposed UCPP, for any PV or small wind system larger than 50  
18 kW rather than case-by-case negotiated contracts.

19 33. Staff has reviewed the SunWatts Large-Scale Purchase Power Contract Program  
20 and believes it should be approved without change.

21 34. The AEPCO SunWatts Large-Scale Generating Program has the potential to  
22 significantly reduce the cost of renewable energy by installing and operating utility-sized  
23 renewable generating units. Staff believes the two potential projects, the Solar Plant-Tucson and  
24 the Trico Solar Generating Station, should be approved without change.

25 35. AEPCO has incorporated the PV for Schools Program into its 2009 REST Plan and  
26 estimates it will produce an estimated 100 kW. AEPCO is continuing its Habitat for Humanity  
27 Program and has increased the budget by \$20,000, from last year's plan, to a maximum of  
28 ...

1 \$50,000. The completion of AEPCO's Headquarters PV Installation will assist in achieving a  
2 portion of the power requirements.

3 36. Staff believes the PV for Schools Program, Habitat for Humanity Program, and  
4 AEPCO Headquarters PV Installation that are included in AEPCO's 2009 REST Plan should be  
5 approved without change.

6 37. Staff believes that AEPCO's proposed budget for its 2009 REST Plan is appropriate  
7 and sufficient in meeting the REST Rules requirements.

8 **Other**

9 38. On October 23, 2008, in Decision No. 70567, the Commission adopted the Net  
10 Metering Rules. Although these rules have been adopted by the Commission, they have not yet  
11 become effective. The Net Metering Rules adopted by the Commission define a net metering  
12 customer in A.A.C. R14-2-2302(12) as "any Arizona Customer who chooses to take electric  
13 service in the manner described in the definition of Net Metering..." The Net Metering Rules  
14 make no provision for the exclusion of any customer having received an incentive payment from  
15 receiving energy payments under a net metering tariff.

16 39. Staff notes that while the Commission's approval of the Net Metering Rules  
17 requires further action such as endorsement by the Arizona Attorney General prior to becoming  
18 effective, it would not be in the public interest to permit the participating Cooperatives to prohibit  
19 customers from receiving both incentive payments and energy payments. It was never the  
20 Commission's intention that a Net Metering customer under the Net Metering Rules be precluded  
21 from obtaining incentive payments under the REST rules.

22 **Staff Recommendations**

23 40. Staff has reviewed the AEPCO 2009 REST Plan. Staff believes that the AEPCO  
24 2009 REST Plan will help the participating Cooperatives meet the requirements of the REST  
25 Rules. Staff had recommended approval of the plan as specified herein.

26 41. In addition, Staff believes that customers should not be forced to choose between  
27 incentive payments or energy payments. Staff believes that the participating Cooperatives should  
28 be required to provide to customers participating in the SunWatts Residential and Commercial

1 Rebate Program both incentive payments and energy payments as contemplated in the Net  
2 Metering Rules. Therefore, Staff has recommended that the participating Cooperatives be required  
3 to provide to customers both incentive payments and energy payments. This will make the  
4 SunWatts Residential and Commercial Rebate Program compatible with the Net Metering Rules  
5 adopted by the Commission in Decision No. 70567 on October 28, 2008.

6 42. Staff has further recommended that AEPCO and the participating Cooperatives  
7 provide production-based incentives, consistent with the proposed UCPP, for any PV and/or small  
8 wind system larger than 50 kW, rather than case-by-case negotiated contracts.

9 43. Staff has further recommended that the participating Cooperatives amend their  
10 SunWatts Residential and Commercial Rebate Program literature and Enrollment Form to be  
11 consistent with this decision and in a form acceptable to Staff.

12 44. Staff has further recommended that each participating Cooperative's RES Tariff,  
13 Customer Self-Directed Tariff, and the Voluntary RES Contribution Program Tariff, currently on  
14 file with the Commission, remain in effect until further Order of the Commission.

#### 15 CONCLUSIONS OF LAW

16 1. Arizona Electric Power Cooperative, Inc. is an Arizona public service corporation  
17 within the meaning of Article XV, Section 2, of the Arizona Constitution.

18 2. Duncan Valley Electric Cooperative, Inc., Graham County Electric Cooperative,  
19 Inc., Mohave Electric Cooperative, Inc., and Trico Electric Cooperative, Inc. are public service  
20 corporations within the meaning of Article XV, section 2, of the Arizona Constitution.

21 3. The Commission has jurisdiction over AEPCO, Duncan Valley Electric  
22 Cooperative, Inc., Graham County Electric Cooperative, Inc., Mohave Electric Cooperative, Inc.,  
23 and Trico Electric Cooperative, Inc. and over the subject matter of the application.

24 4. The Commission, having reviewed the application and Staff's Memorandum dated  
25 December 2, 2008, concludes that it is in the public interest to approve the AEPCO 2009 REST  
26 Plan as specified in this order.

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ORDER

IT IS THEREFORE ORDERED that the Arizona Electric Power Cooperative, Inc. 2009 REST Plan is approved as specified herein.

IT IS FURTHER ORDERED that the participating Cooperatives provide to customers participating in the SunWatts Residential and Commercial Rebate Program both incentive payments and energy payments as contemplated in the Net Metering Rules.

IT IS FURTHER ORDERED that the participating Cooperatives provide production-based incentives, consistent with the proposed UCPP, for any PV and/or small wind system larger than 50 kW, rather than case-by-case negotiated contracts.

IT IS FURTHER ORDERED that the participating Cooperatives amend their SunWatts Residential and Commercial Rebate Program literature and Enrollment Forms to be consistent with this decision and in a form acceptable to Staff.

IT IS FURTHER ORDERED that, for Arizona Electric Power Cooperative, Inc. and the participating Cooperatives, the Renewable Energy Standard and Tariff Rules (A.A.C. R14-2-1801 through R14-2-1815) supersede the Environmental Portfolio Standard Rules (A.A.C. R14-2-1618) and any other reporting requirements related to renewable energy resources.

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1 IT IS FURTHER ORDERED that each participating Cooperative's RES Tariff, Customer  
2 Self-Directed Tariff, and the Voluntary RES Contribution Program Tariff, currently on file with  
3 the Commission, remain in effect until further Order of the Commission.

4 IT IS FURTHER ORDERED that this Order shall become effective immediately.

5 BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

6  
7 

8 CHAIRMAN



COMMISSIONER

9  
10 

11 COMMISSIONER



COMMISSIONER



COMMISSIONER

12 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,  
13 Executive Director of the Arizona Corporation Commission,  
14 have hereunto, set my hand and caused the official seal of  
15 this Commission to be affixed at the Capitol, in the City of  
16 Phoenix, this 18<sup>th</sup> day of December, 2008.

17   
18 BRIAN C. McNEIL  
19 EXECUTIVE DIRECTOR

20 DISSENT: \_\_\_\_\_

21 DISSENT: \_\_\_\_\_

22 EGJ:CLA:lhmm\WVC  
23  
24  
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1 SERVICE LIST FOR: Arizona Electric Power Cooperative, Inc.  
2 DOCKET NO. E-01773A-08-0333

3 Mr. Michael M. Grant  
4 Gallagher & Kennedy, PA  
5 2575 East Camelback Road  
6 Phoenix, Arizona 85016-9225

7 Mr. Ernest G. Johnson  
8 Director, Utilities Division  
9 Arizona Corporation Commission  
10 1200 West Washington Street  
11 Phoenix, Arizona 85007

12 Ms. Janice M. Alward  
13 Chief Counsel, Legal Division  
14 Arizona Corporation Commission  
15 1200 West Washington Street  
16 Phoenix, Arizona 85007  
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# Exhibit

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1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **MIKE GLEASON**

Chairman

3 **WILLIAM A. MUNDELL**

Commissioner

4 **JEFF HATCH-MILLER**

Commissioner

5 **KRISTIN K. MAYES**

Commissioner

6 **GARY PIERCE**

Commissioner

Arizona Corporation Commission

**DOCKETED**

**FEB 27 2008**

DOCKETED BY

*nr*

8 IN THE MATTER OF THE APPLICATION )  
9 OF TRICO ELECTRIC COOPERATIVE, )  
10 INC. FOR APPROVAL OF RENEWABLE )  
11 ENERGY STANDARD TARIFFS )

DOCKET NO. E-01461A-07-0578

DECISION NO. **70168**

**ORDER**

12 Open Meeting  
13 February 12 and 13, 2008  
14 Phoenix, Arizona

14 BY THE COMMISSION:

15 **FINDINGS OF FACT**

16 1. Trico Electric Cooperative, Inc. ("Trico" or "Company") is certificated to provide  
17 electricity as a public service corporation in the State of Arizona.

18 2. On July 30, 2007, the Arizona Corporation Commission ("Commission") issued  
19 Decision No. 69728 which approved the Arizona Electric Power Cooperative, Inc. ("AEP  
20 Amended and Restated EPS/REST Plan ("Restated Plan"), filed on behalf of four of its Arizona  
21 member distribution cooperatives. The four distribution cooperatives are Trico Electric  
22 Cooperative, Inc. ("Trico"), Duncan Valley Electric Cooperative, Inc. ("Duncan Valley"), Graham  
23 County Electric Cooperative, Inc. ("Graham County"), and Mohave Electric Cooperative, Inc.  
24 ("Mohave"). On October 5, 2007, Trico filed its tariffs pursuant to Decision No. 69728 and the  
25 Renewable Energy Standard and Tariff ("REST") Rules.

26 3. Trico is submitting its tariffs associated with the Restated Plan. Trico is also  
27 submitting its proposed budget of \$564,513 for its portion of the Restated Plan approved in  
28 Decision No. 69728. Duncan Valley, Graham County, and Mohave have also submitted separate

1 REST Tariffs pursuant to Decision No. 69728 which include each Cooperative's individual budget  
2 for its portion of the Restated Plan.

3 **Tariffs**

4 4. Staff has reviewed Trico's proposed RES Tariff which Trico filed in compliance  
5 with Decision No. 69728, issued July 30, 2007. Trico's proposed RES Tariff sets forth the  
6 surcharge rates and monthly maximums to be collected to fund its annual budget for 2008. The  
7 proposed tariff includes a surcharge of \$0.000875 per kWh for governmental and agricultural  
8 members/customers. The proposed monthly maximums for governmental and agricultural  
9 member/customers are \$13.00 per service and \$39.00 per service for governmental and agricultural  
10 members/customers whose demand is 3,000 kW or more for three consecutive months. For the  
11 residential and non-residential members/customers, Trico is proposing a surcharge of \$0.004988  
12 per kWh, a 570.06 percent increase from the existing Environmental Portfolio Standard ("EPS")  
13 surcharge of \$0.000875. The proposed monthly maximum per service for residential  
14 members/customers is \$1.05. Trico is proposing a \$39.00 per service monthly maximum for non-  
15 residential members/customers. For non-residential members/customers whose demand is 3,000  
16 kW or more for three consecutive months, the proposed monthly maximum is \$117.00 per service.  
17 The proposed monthly maximums ("caps") for Trico's proposed tariff, compared to the existing  
18 EPS maximums, are:

Customer Class/Category	Existing EPS Maximums/Caps	Proposed REST Maximums/Caps	Difference(\$)	Increase (%)
Residential	\$ 0.35	\$ 1.05	\$ 0.70	300%
Governmental & Agricultural	\$ 13.00	\$ 13.00	-	-
Governmental & Agricultural >3MW	\$ 39.00	\$ 39.00	-	-
Commercial & Industrial	\$ 13.00	\$ 39.00	\$ 26.00	300%
Commercial & Industrial >3MW	\$ 39.00	\$ 117.00	\$ 78.00	300%

24 5. The following table provides examples of sample Trico customers and the impact  
25 customers can expect to see.

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## Monthly Bill Impact

Sample Customers	Average kWh	Current EPS	Proposed REST	Difference
School	44,064	\$13.00	\$13.00	-
Convenience Store	30,186	\$13.00	\$39.00	\$26.00

6. Trico has calculated that its RES Tariff will collect the following funds, by customer category:

## RES Tariff Funding from Proposed Surcharge

	Total \$	Average \$ per Bill	% Reaching Cap
Residential	\$393,285	\$0.94	84.7%
Small Commercial (Rate GS-1 and GS-2)	\$52,553	\$5.14	1.8%
Large Commercial (Rate GS-3 and IS-2)	\$78,011	\$26.12	47.6%
Government and Agricultural (Various Rates)	\$39,260	\$6.97	37.5%
Industrial (GS-4)	\$1,404	\$117.00	100%
Total	\$564,513		

7. Trico believes that the surcharge rates and the monthly maximums proposed in Trico's RES Tariff will be sufficient to fund its annual budget for 2008.

8. In addition to the RES Tariff, Trico has also filed its Voluntary RES Contribution Program Tariff which it has filed in compliance with Decision No. 69728. The proposed program allows members/customers to purchase 50 kWh blocks of green energy for an additional \$2.00 per block. The proposed Voluntary RES Contribution Program Tariff will replace Trico's existing Voluntary EPS Contribution Program Tariff approved in Decision No. 67411.

9. In addition, Trico is proposing its Customer Self-Directed Tariff in compliance with Arizona Administrative Code ("A.A.C.") R14-2-1809(A). Trico's proposed Customer Self-Directed Tariff allows eligible non-residential members/customers with multiple meters that pay more than \$25,000 annually in RES Surcharge funds to receive funds from the Cooperative to install Distributed Renewable Energy Resources.

**Budget**

10. According to Trico, the RES funding from the RES surcharge is estimated to be a total of \$564,513. The AEPCO Amended and Restated EPS/REST Plan approved in Decision No.

69728 had a total surcharge budget of \$2,636,436. Trico's \$564,513 fund plus the remaining three cooperatives' funds (Duncan Valley, Graham County, and Mohave) come to a total of \$1,657,953. There is a difference of \$978,483 between the proposed total AEPCO fund amount and the AEPCO surcharge fund amount that was approved in Decision No. 69728. According to AEPCO, the current carry-over EPS surcharge fund balance is estimated to be \$1,900,000. The current EPS surcharge fund balance of \$1,900,000 will assist the Cooperatives in meeting the AEPCO approved surcharge budget of \$2,636,436.

#### **Fair Value Determination**

11. Staff has analyzed Trico's application in terms of whether there are fair value implications. In Decision No. 68073, issued on August 17, 2005, the Commission determined the fair value of Trico's property to be \$97,890,329. According to Trico, as of December 31, 2006, per audited financial information, the value of Trico's plant is \$156,708,264. Staff considered both of these values for purposes of this analysis. The proposed tariff would have no impact on the company's revenue, fair value rate base, or rate of return. Because plant developed pursuant to the REST programs is not added to the rate base, there will be no corresponding effect on Trico's ultimate revenue or rate of return.

#### **Recommendations**

12. Staff has reviewed Trico's proposed tariffs and finds that they are consistent with A.A.C. R14-2-1808, R14-2-1809(A), and Appendix A: Sample Tariff of the Renewable Energy Standard and Tariff Rules. Staff recommends the following:

- a. Approval of Trico's RES Tariff;
- b. Approval of Trico's Voluntary RES Contribution Program Tariff;
- c. Approval of Trico's Voluntary Customer Self-Directed Tariff;
- d. A Commission Order that the REST Rules, A.A.C. R14-2-1801 through R14-2-1815, supersede the EPS Rules and any other reporting requirements related to renewable energy resources.
- e. A Commission Order that the RES Tariff supersedes the EPS surcharge and upon Commission approval of the RES Tariff, Trico shall no longer be required to charge customers the current EPS surcharge and;

- 1 f. A Commission Order that all monies collected under the EPS Surcharge for the  
2 current EPS program is transferred to the REST Program.
- 3 g. A Commission Order that requires Trico to file with Docket Control, as a compliance  
4 matter in this case, tariff pages consistent with the terms of the Commission's Decision  
within 15 days from the effective date of the Decision.

5 CONCLUSIONS OF LAW

6 1. Trico Electric Cooperative, Inc. is an Arizona public service corporation within the  
7 meaning of Article XV, Section 2, of the Arizona Constitution.

8 2. The Commission has jurisdiction over Trico Electric Cooperative, Inc. and over the  
9 subject matter of the Application.

10 3. The Commission, having reviewed the application and Staff's Memorandum dated  
11 January 25, 2008, concludes that it is in the public interest to approve the Trico RES Tariff,  
12 Voluntary RES Contribution Program Tariff, and the Customer Self-Directed Tariff as specified in  
13 this order.

14 ORDER

15 IT IS THEREFORE ORDERED that the Trico Electric Cooperative, Inc. RES Tariff,  
16 Voluntary RES Contribution Program Tariff, and the Customer Self-Directed Tariff are hereby  
17 approved as discussed herein.

18 IT IS FURTHER ORDERED that the REST Rules, A.A.C. R14-2-1801 through R14-2-  
19 1815, supersede the EPS Rules and any other reporting requirements related to renewable energy  
20 resources.

21 IT IS FURTHER ORDERED that the RES Tariff supersedes the EPS surcharge and upon  
22 Commission approval of the RES Tariff, Trico shall no longer be required to charge customers the  
23 current EPS surcharge.

24 IT IS FURTHER ORDERED that all monies collected under the EPS Surcharge for the  
25 current EPS program be transferred to the REST Program.

26 ...

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1 IT IS FURTHER ORDERED that Trico shall file with Docket Control, as a compliance  
2 matter in this case, tariff pages consistent with the terms of the Commission's Decision within 15  
3 days from the effective date of the Decision.

4 IT IS FURTHER ORDERED that this Order shall become effective immediately.

5  
6 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

7  
8   
9 CHAIRMAN


  
COMMISSIONER

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12 COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER

13 IN WITNESS WHEREOF, I DEAN S. MILLER, Interim  
14 Executive Director of the Arizona Corporation Commission,  
15 have hereunto, set my hand and caused the official seal of  
16 this Commission to be affixed at the Capitol, in the City of  
17 Phoenix, this 27<sup>th</sup> day of February, 2008.

18   
19 DEAN S. MILLER  
20 Interim Executive Director

21 DISSENT: \_\_\_\_\_

22  
23 DISSENT: \_\_\_\_\_

24 EGJ:CLA:lh\CH  
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1 SERVICE LIST FOR: Trico Electric Cooperative, Inc.  
2 DOCKET NO. E-01461A-07-0578

3 Mr. John Wallace  
4 Grand Canyon State Electric Cooperative Association, Inc.  
5 120 North 44<sup>th</sup> Street, Suite 100  
6 Phoenix, Arizona 85034

7 Mr. Christopher C. Kempley  
8 Chief Counsel, Legal Division  
9 Arizona Corporation Commission  
10 1200 West Washington Street  
11 Phoenix, Arizona 85007

12 Mr. Ernest G. Johnson  
13 Director, Utilities Division  
14 Arizona Corporation Commission  
15 1200 West Washington Street  
16 Phoenix, Arizona 85007  
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**Exhibit**

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**BEFORE THE ARIZONA CORPORATION COMMISSION**

KRISTIN K. MAYES  
Chairman  
GARY PIERCE  
Commissioner  
PAUL NEWMAN  
Commissioner  
SANDRA D. KENNEDY  
Commissioner  
BOB STUMP  
Commissioner

Arizona Corporation Commission  
**DOCKETED**  
JAN - 6 2010

DOCKETED BY	ne
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IN THE MATTER OF ARIZONA ELECTRIC  
POWER COOPERATIVE, INC.  
APPLICATION FOR APPROVAL OF THE  
2010 RENEWABLE ENERGY STANDARD  
AND TARIFF PLAN

DOCKET NO. E-01773A-09-0335  
DECISION NO. 71451  
ORDER

Open Meeting  
December 22, 2009  
Phoenix, Arizona

BY THE COMMISSION:

**FINDINGS OF FACT**

1. Arizona Electric Cooperative, Inc. ("AEPCO") and its Arizona member distribution cooperatives are certificated to provide electricity as public service corporations in the state of Arizona.

**Background**

2. On June 30, 2009, AEPCO filed the 2010 Renewable Energy Standard and Tariff ("REST") Plan on behalf of three of its Arizona member distribution cooperatives in compliance with Arizona Administrative Code ("A.A.C.") R14-2-1801 through R14-2-1816. On November 6, 2009, AEPCO filed its Amended and Restated 2010 REST Plan ("2010 Restated REST Plan") on behalf of three of its Arizona member distribution cooperatives. The three distribution cooperatives are Duncan Valley Electric Cooperative, Inc. ("Duncan Valley"), Graham County Electric Cooperative, Inc. ("Graham County"), and Trico Electric Cooperative, Inc. ("Trico").

3. According to AEPCO, in 2009 (through August), 75 new photovoltaic ("PV") systems, 11 new residential wind generating systems, and 17 new solar water heaters have been

1 installed in the participating Cooperatives' service territories.<sup>1</sup> There is a total amount of 330 kW  
2 installed capacity from new PV installations, 48 kW of installed wind generation, and 48 kW from  
3 solar water heaters. In addition, AEPCO has stated that in 2009 (through August), there has been  
4 875,820 total kWh of energy obtained from renewable resources.<sup>2</sup> AEPCO has informed Staff that  
5 there have not been any commercial installations in 2009, to date.

6 4. AEPCO indicated that participation in its rebate program has substantially  
7 increased. In addition, AEPCO has indicated that Trico and Graham County have both exhausted  
8 the funds for the SunWatts rebate program, with Duncan Valley quickly the exhausting remaining  
9 funds. According to its 2010 REST Plan, AEPCO has increased the budget for distributed  
10 generation projects to \$1,339,349 compared to the \$600,000 budget in its 2009 REST Plan. In  
11 addition, AEPCO has indicated that through August 2009, the Cooperatives have collected a total  
12 of approximately \$951,300 in REST funds. However, AEPCO has spent approximately  
13 \$1,123,700. This amount includes surplus funding from previous years, above what has been  
14 collected in 2009, which has been used to support the Cooperatives' rebate program.

15 5. According to A.A.C. R14-2-1804, the annual renewable energy requirement in  
16 2010 is 2.50 percent of the total retail kWh sales. In addition, according to A.A.C. R14-2-1805.B,  
17 the annual distributed renewable energy requirement in 2010 is twenty percent (20%) of the annual  
18 renewable energy requirement. AEPCO has indicated that if the distributed renewable projects  
19 included in the 2010 REST Plan are completed, they will exceed the distributed requirements of  
20 A.A.C R14-2-1805.B.

21 6. AEPCO has also indicated that Trico and Graham County have both exhausted their  
22 2009 REST funds. In addition, AEPCO stated that as of September 10, 2009, there were forty-six  
23 customers with partially completed or completed projects that have not received funding and  
24 remain on the reservation list for funding. According to AEPCO, on September 14, 2009, it  
25 informed solar contractors that there was no longer funding available for projects. In addition,  
26 AEPCO indicated that on September 22, 2009, another letter was sent to customers and contractors  
27

28 <sup>1,2</sup> This information includes Mohave Electric Cooperative, Inc.

1 explaining the status of the REST funds and describing the reservation process. AEPCO states that  
2 it has continued to send a letter to each new applicant informing them of the REST fund shortage.  
3 Trico has placed all customers with a confirmed application on a reservation list. AEPCO has  
4 indicated that since September 10, 2009, it has received 21 PV applications and four solar water  
5 heater applications that have been placed on a reservation list.

6 **The 2010 Restated REST Plan**

7 7. The AEPCO 2010 Restated REST Plan will assist three of its member distribution  
8 cooperatives ("the Cooperatives") in meeting the REST requirements. The 2010 Restated REST  
9 Plan, called SunWatts, includes six programs:

10 **The SunWatts Green Energy Purchase Program**

11 8. According to AEPCO, the Cooperatives will continue to offer this voluntary  
12 program in which retail customers can choose to support renewable energy by purchasing blocks  
13 of "green energy." The retail customers can purchase 50 kWh blocks of green energy at a cost of  
14 \$2.00 per block.

15 **The SunWatts Residential and Commercial Rebate Program**

16 9. The SunWatts rebate program, offered in compliance with R14-2-1809, provides  
17 incentives to customers for installation of qualifying photovoltaic ("PV"), solar water heating, and  
18 small wind renewable systems. For PV and small wind systems, the Cooperatives would pay Up-  
19 Front Incentives ("UFIs") of \$3.00 per installed watt, up to 40 percent (40%) of the total cost of  
20 the system, for systems up to 10 kW in size. The Cooperatives will own all the Renewable Energy  
21 Credits ("RECs") from a project receiving UFIs for its operational life.

22 10. In addition, PV and wind systems eligible for Production Based Incentives  
23 ("PBIs") will be subject to a \$7.50 per watt invoice cap. If an invoice for a residential or  
24 commercial project exceeds the \$7.50 per watt cap, the incentive will then be calculated based on a  
25 total system cost reflecting the \$7.50 per watt cap.

26 11. The Cooperatives would provide PBIs of no more than \$.14 per kWh for PV and  
27 small wind systems greater than 10 kW in size, up to fifty percent (50%) of the total project cost.  
28 PBI incentives would be available for a term of up to 25 years but may be limited to the expected

1 operational life of the specific technology. In addition, the Cooperatives will own all of the RECs  
2 from the project receiving PBIs for the term of the REC agreement. Further, systems eligible for  
3 PBIs will be subject to a competitive selection process, resulting in the most cost-effective projects  
4 receiving a rebate.

5 12. Projects eligible for PBIs will be competitively selected on a quarterly to  
6 semiannual basis. If a project is not selected, the applicant is then informed of the project's status  
7 and given an opportunity to resubmit the project for consideration during the next selection  
8 process. In addition, AEPCO stated that the Cooperatives reserve the right to negotiate the PBI  
9 agreement based on current market conditions in order to obtain the most competitive priced  
10 RECs. According to AEPCO, projects that are one megawatt ("MW") or greater would not be  
11 eligible for the incentives outlined below in Table 1, but instead would be negotiated on a per-  
12 project basis relative to market conditions.

13 13. According to AEPCO, projects would received a rebate on a first-come first-serve  
14 basis until funding is no longer available. Systems which have been approved but have not yet  
15 received a rebate due to lack of funding would be placed on a reservation list until additional  
16 funding becomes available. Once funding becomes available, rebates would be paid following a  
17 final inspection of the system. Installations are required to be performed by licensed renewable  
18 energy contractors, electricians, or plumbers (in the case of solar water heaters). The Cooperatives  
19 may permit self-installations only if the installation has been inspected and verified by a licensed  
20 contractor.

21 14. Currently, the Cooperatives pay UFIs of \$4.00 per installed watt, up to 50 percent  
22 (50%) of the total cost of the system, for systems up to 25 kW in size; \$3.00 per installed watt, up  
23 to 50 percent (50%) of the total cost of the system, for systems from 25.1 kW to 50 kW in size;  
24 and any PV or small wind system greater than 50kW in size is offered PBIs consistent with the  
25 proposed Uniform Credit Purchase Program ("UCPP"). For residential solar water heating  
26 systems, the Cooperatives would continue to provide a rebate of \$0.75 per kWh of energy saved  
27 during the system's first year of operation, based on the OG-300 ratings of the Solar Rating and  
28 Certification Corporation. After accounting for and applying all federal and state incentives, the

customer contribution to the solar water heating project cost would not be less than 15 percent of the total project cost.

15. According to the AEPCO 2010 Restated REST Plan, the Cooperatives would continue to offer the following renewable technologies: Biomass, Biogas, Daylighting, and Solar Space Cooling. The rebate for the Daylighting program would be \$0.20 per kWh saved during the first year. The Biomass, Biogas, and Solar Space Cooling programs would offer PBIs paid for RECs over a 20-year period based on actual measured output. The following incentives would be applied to the Biomass/Biogas technologies: \$0.054 per kWh for electric generation, \$0.031 per kWh for CHP-electric, \$0.016 per kWh for CHP-thermal, \$0.013 per kWh for thermal, and \$0.029 per kWh for cooling. The Solar Cooling PBIs would be for 20 years at \$0.115 per measured kWh. In addition, AEPCO has proposed to offer the following PBIs for Geothermal technology: \$0.022 per kWh for geothermal-electric and \$0.043 per kWh for geothermal-thermal. The Geothermal program would offer PBIs paid for RECs over a 20-year period based on actual measured output.

16. Table 1 below illustrates the incentive levels provided for each technology proposed in AEPCO's 2010 Restated REST Plan.

Table 1		
Technology	UFIs	PBIs
Solar Electric	\$3.00 per watt up to 10 kW	\$0.14 (max) per kWh over 10 yrs (over 10 kW)
Small Wind	\$3.00 per watt up to 10 kW	\$0.14 (max) per kWh over 10 yrs (over 10 kW)
Solar Water Heating	\$0.75 per kWh for first year savings	
Solar Daylighting	\$0.20 per kWh for first year savings	
Geothermal -Electric -Thermal		\$0.022 per kWh over 20 yrs \$0.043 per kWh over 20 yrs
Biogas/Biomass -Electric -Thermal -Cooling -CHP-Electric -CHP-Thermal		\$0.054 per kWh over 20 yrs \$0.013 per kWh over 20 yrs \$0.029 per kWh over 20 yrs \$0.031 per kWh over 20 yrs \$0.016 per kWh over 20 yrs
Solar space Cooling		\$0.115 per kWh over 20 yrs

17. According to AEPCO, the Cooperatives generally follow the program process guidelines of the UCPP working group recommendations. Staff recommends that, if the Commission approves a UCPP, that AEPCO and the participating Cooperatives should be required to develop a mechanism to incorporate UCPP procedures and incentive levels for all eligible

1 technologies in its proposed REST Plans for later years. To the  
2 extent that AEPCO believes that different incentive levels than those of the UCPP are justified,  
3 particularly in remote, rural areas, AEPCO could develop such proposals.

4 18. The AEPCO 2010 Restated REST Plan indicated that any allocated funds not used  
5 in a particular year would be carried over to the following year and may be used in subsequent  
6 years to support any REST program. Staff believes that AEPCO should be able to transfer any  
7 allocated funds not used by a particular program to any other program during the Implementation  
8 Plan year.

9 19. The following larger distributed generation projects are currently under  
10 consideration for rebate support:

11 Solar Plant-Tucson-AEPCO, Trico and the City of Tucson Water Department are working  
12 together to develop a 1 MW PV Plant in the Avra Valley area northwest of Tucson. The  
13 Cooperatives have agreed to purchase the RECs generated by the facility. Currently, the  
Cooperatives and Tucson Water are working on a REC purchase agreement.

14 Wilcox Greenhouse Geothermal-The Cooperatives, in cooperation with Sulphur Springs  
15 Valley Electric Cooperative, Inc., are evaluating a potential geothermal project located in  
the Wilcox area. If built, the project could produce as much as 1.5 MW of RECs.

16 The SunWatts Large-Scale Purchase Power Contract Program & Generating  
17 Program

18 20. The large-scale Generating Program would have the Cooperatives, as a group or in  
19 partnership with others, install and assist in the development of large-scale renewable resources  
20 either through purchase power agreements or by the construction of utility owned resources.  
21 AEPCO and the Cooperatives continue to issue Request for Proposals ("RFPs") to seek large-scale  
22 renewable proposals. In addition, AEPCO has indicated that the resources being considered are  
23 not expected to develop before 2012. Therefore, the Cooperatives are not anticipating any large-  
24 scale expenditures in 2010.

25 SunWatts PV for Schools Program

26 21. The Cooperatives propose to reward at least one school a 5 kW PV system at no  
27 cost to the school. The school would be located either in or near a Cooperative's service area and  
28 will be chosen after a competitive application process. AEPCO indicated that the budget for this

1 program would not exceed \$30,000, a decrease from the current budget of \$180,000. In addition,  
2 the Cooperatives are discussing a possible partnership with the Schools Facilities Board in 2010.  
3 According to AEPCO, such a partnership would allow the Cooperatives to leverage budgeted  
4 money for this program with stimulus money allocated to the schools to provide additional PV  
5 support for the schools.

6 **SunWatts Habitat for Humanity Program**

7 22. The AEPCO 2010 Restated REST Plan would continue AEPCO's partnership with  
8 Habitat for Humanity to offer renewable energy options to low-income housing in a participating  
9 Cooperative's service area. However, AEPCO has indicated that there are no Habitat for  
10 Humanity homes planned for completion, and the Cooperatives do not anticipate any Habitat for  
11 Humanity Homes to be completed in a Cooperative's service territory for the 2010 plan year.  
12 Therefore, there has not been a budget allocated for this program in 2010 due to the shortage of  
13 funds experienced from the Cooperatives. AEPCO further states that should a Habitat for  
14 Humanity home be completed, the Cooperatives will work to support the project.

15 **SunWatts Educational Grant Program**

16 23. The Cooperatives would continue to offer teachers in each Cooperative's service  
17 territory an education grant of no more than \$5,000, per service territory. A maximum of \$15,000  
18 will be granted to teachers for the development of renewable curricula for the classroom. In  
19 addition, the Cooperatives will continue to support Arizona Utilities for Renewable Energy  
20 Education ("AZURE") in partnership with other utilities to develop renewable education materials  
21 for teachers in Arizona.

22 **Administrative, Advertising, and Research and Development**

23 24. According to the new budget stated in its 2010 Restated REST Plan, AEPCO has  
24 allocated approximately \$240,000, or fifteen percent (15%) of the total funds collected on  
25 administrative, advertising, and R&D expenses. The participating Cooperatives have jointly  
26 developed and executed a plan for advertising and promotion of the SunWatts programs. In  
27 addition, AEPCO has indicated that no R&D is scheduled for 2010. However, R&D funds will be  
28 used to support the Cooperatives' membership in the University of Arizona's AZRise Consortium.

**Budget**

25. AEPCO initially expected to collect \$1,700,000 from the REST surcharge in 2010. However, in its 2010 Restated REST Plan, AEPCO has indicated that \$1,624,349, rather than \$1,700,000, is expected to be collected. AEPCO has indicated that the Cooperatives do not anticipate any surplus funding to be carried over from 2009 or previous years that will assist in funding the 2010 REST Budget.

26. Table 2 below indicates the REST funds AEPCO estimates that would be collected in 2010 by each Cooperative in association with the 2010 Restated REST Plan:

**Table 2**

	Duncan Valley	Graham County	Trico	Total
Residential	\$34,700	\$161,912	\$859,316	\$1,055,928
Non-Residential	\$35,500	\$136,490	\$288,344	\$460,334
Government/Agricultural	\$5,400	\$16,905	\$85,782	\$108,087
Totals	\$75,600	\$315,307	\$1,233,442	\$1,624,349

27. However, each Cooperative has provided Staff with the following estimated REST funds collected from each customer class which are indicated in Table 3 below. Staff believes that the information provided by the Cooperatives is a more up-to-date and accurate estimate of the funds to be collected. With the information provided by each Cooperative, the estimated total is \$1,626,653. There is a difference of \$2,304 in the revised estimated budget provided by AEPCO and the information provided by the Cooperatives.

**Table 3**

	Duncan Valley	Graham County	Trico	Total
Residential	\$34,783	\$160,145	\$859,316	\$1,054,244
Non-Residential	\$35,788	\$122,609	\$288,344	\$446,741
Government/Agricultural	\$5,426	\$34,460	\$85,782	\$125,668
Totals	\$75,997	\$317,214	\$1,233,442	\$1,626,653

28. Table 4 below indicates AEPCO's estimated REST budget needed in order to meet the REST requirements for 2010:

...  
...  
...  
...  
...

Table 4

Category	\$ Amount of Total Budget
Rebate Program	\$1,339,349
---Residential Distributed Generation	\$1,033,349
---Commercial Distributed Generation	\$150,000
---LS*Commercial Distributed Generation	\$156,000
LS*Purchase Power & Generation Program	\$0
Habitat for Humanity Program	\$0
Educational Grant Program	\$15,000
School PV Program	\$30,000
Administration, Advertising, and R&D	\$240,000
Total	\$ 1,624,349

\*LS=Large Scale

**Tariffs**

29. In its application, AEPCO stated that the funding from the Cooperatives in previous years will almost be exhausted by the end of 2009. Staff was later informed that the Cooperatives have in fact exhausted the funds for the Rebate Program. The participating Cooperatives have each filed new RES Tariffs, for Commission approval, in conjunction with the AEPCO 2010 Restated REST Plan.

**AEPCO's Response to Chairman Mayes' Letter Regarding Solar Mapping**

30. On April 20, 2009, Chairman Mayes wrote a letter to several of Arizona's regulated electric utilities, including AEPCO, regarding the development of a solar map in Arizona. Chairman Mayes requested that the utilities prepare, as part of their 2010 RES Implementation Plans or pending rate cases, for the Commission's consideration, a proposal for building and funding a solar map of Arizona.

31. In its 2010 REST Plan, AEPCO includes its response to Chairman Mayes' letter. AEPCO indicated that the Cooperatives recommend a multi-utility approach to developing a solar map of Arizona. The costs of such a project would be proportionally shared, based on utility size, between all interested parties. In addition, in an effort to streamline processes, the Cooperatives recommend the study and utilization of information from other similar state projects. AEPCO states that because the Cooperatives' service territories are mainly comprised of low-density residential or rural areas there is no real benefit to identifying high-density commercial or congestion zones.

1           32. In addition, AEPCO states that with the increased tax credits and generous  
2 incentives the Cooperatives already provide there would be no need to provide heightened rebates  
3 for early adopters of the REST Program or those who adopt solar technology on a large scale basis.  
4 Further, AEPCO indicates that the Cooperatives would develop a program that would encourage  
5 the deployment of solar technology on multifamily buildings and community centers. The  
6 program would offer developers of multifamily buildings a performance incentive based on the  
7 actual metered output of all the solar meters. The incentives paid would be based on the UCPP  
8 incentives.

9 **Response to American Solar Electric, Inc.**

10           33. On September 15, 2009, American Solar Electric, Inc. ("ASE") filed a letter in this  
11 docket expressing several concerns it had with the 2010 REST Plan filed by AEPCO and  
12 specifically Trico's administration of the Rebate Program. According to ASE, it has a  
13 considerable customer base in Trico's service territory. As of the date of the ASE's letter, ASE  
14 indicated that it has twenty-four residential customer contracts at varying stages of completion  
15 which represent 150 kW of residential PV capacity.

16           34. ASE's letter also addresses its concerns with Trico's reservation process and  
17 AEPCO's compliance with A.A.C. R14-2-1804 and R14-2-1805 of the REST Rules. Staff notes  
18 that A.A.C. R14-2-1814 substitutes for R14-2-1804 and R14-2-1805 upon Commission approval  
19 of an electric cooperative's REST Plan. First, ASE's letter stated that under Trico's current  
20 process, a customer must submit the request for a reservation, a signed contract, building permit,  
21 system design schematic, and the application for interconnection, all in one package, without  
22 guarantee that funds have been reserved. Second, ASE's letter indicated that Trico does not  
23 provide adequate notice to customers regarding the status of a project approval.

24           35. ASE's letter further indicates that Trico's website indicated that the "SunWatts  
25 Program was out of money and would no longer be accepting reservations for incentives for the  
26 remainder of 2009." However, appendix 1 and 2 of ASE's letter which are printed pages from  
27 Trico's website do not indicate that Trico "would no longer be accepting reservations for  
28 incentives for the remainder of 2009." Trico's website indicated that "...rebate funds for 2009

1 have been exhausted. Trico's rebate program is suspended until additional rebate monies are  
2 available." Staff understands this statement to explain that Trico is currently unable to provide  
3 incentives due to the lack of available funding for the Rebate Program.

4 36. Staff does not believe that Trico's website indicated that it would no longer be  
5 accepting reservations for incentives. Trico has since revised its website to indicate that although  
6 funds have been exhausted, Trico is accepting reservations and the website provides an email  
7 address for questions (see attachments 1 and 2).

8 37. According to AEPCO, although each Cooperative's process may vary slightly, the  
9 Cooperatives follow the general outline of the UCPP. AEPCO has indicated that after a customer  
10 submits an enrollment form to the Cooperative, it is evaluated and determined if the requested  
11 project is eligible and if the enrollment form is complete with the required information. If it is  
12 determined that a project is not eligible or an enrollment form is in some way deficient, the  
13 Cooperative then notifies the customer of the application status and allows them to resubmit the  
14 necessary materials. If the enrollment form is sufficient and the project is eligible, it is then put on  
15 the Cooperative's reservation list (which has only recently been implemented due to the shortage  
16 of funds). All projects put on the reservation list would be funded in the order they were put on  
17 the list as additional funding becomes available.

18 38. A customer is then notified if their project has been placed on the reservation list  
19 and informed that they must complete an interconnection agreement, submit a system schematic,  
20 provide copies of the project estimate, and supply all permits within sixty days of the project being  
21 accepted. Once a system is installed, it is inspected by the Cooperative and interconnection  
22 verified. Finally, once a system passes inspections, the Cooperative processes the incentive,  
23 pending funding availability.

24 39. AEPCO has further indicated that projects eligible for PBIs also submit an  
25 enrollment form which is evaluated in the same manner as those projects eligible for UFI's. With  
26 projects eligible for PBIs, however, once these projects are accepted by the Cooperative, the  
27 project is then put in a queue to compete against other projects in a competitive process. Projects  
28 ...

are evaluated on a quarterly basis and are supported until funds for that period are no longer available.

40. Finally, ASE's letter makes the following recommendations regarding Trico's reservation process:

- a. Trico's reservation process should make changes to conform to Arizona Public Service Company's ("APS") process: only a reservation request, signed contract or quote, and document assigning payment to the installer should be required in order to reserve incentive funds for the project;
- b. Trico should allow the customer the option to assign the SunWatts credit purchase payment to the installer, rather than paying the customer directly;
- c. Within 5 business days of receipt of a reservation request, Trico should provide the installer and customer with a confirmation notice that funds are reserved;
- d. Within 10 business days of receipt of an interconnection application and system design schematic, Trico should provide the installer and customer a written notice of application status or a written Utility Design Approval (UDA) letter;
- e. Within 5 business days of receipt of Authority Having Jurisdiction ("AHJ") clearance, Trico should provide the installer and customer a written notice with a schedule for system commissioning and meter swap; and
- f. Trico should publish a quarterly REST compliance report modeled on the APS Quarterly Compliance Report.

41. Staff believes that the Cooperatives' reservation process described above is appropriate and does not believe the recommendations proposed by ASE are necessary. The reservation process has only recently been implemented due to the shortage of funds. However, Staff does agree that the Cooperatives should allow customers the option to assign the incentive payments to the installer, if they so choose. Staff notes that according to the Cooperatives, Duncan Valley does allow customers the option to assign incentive payments to the installer.

**Staff's Review of the AEPCO 2010 Restated REST Plan**

42. Staff believes the SunWatts Green Energy Purchase Program should be continued without change. Customers who volunteer to purchase renewable energy would continue to see the specific amount of energy their contributions are supporting.

43. Staff has reviewed the SunWatts Residential and Commercial Rebate Program. The 2010 SunWatts Residential and Commercial Rebate Program has incorporated Staff's

1 recommendations that were approved in Decision No. 70655. In addition, the Rebate Program has  
2 decreased the incentives for PV and small wind systems, as specified above. Staff believes that the  
3 decrease in incentives for systems eligible for UFIs is appropriate at this time and will help the  
4 Cooperatives support more systems with the 2010 funds. Further, AEPCO has included incentives  
5 for geothermal technology. AEPCO has also increased the available rebate fund amount to  
6 \$1,339,349 or approximately 82 percent of the total 2010 Restated REST Budget. AEPCO has  
7 committed to reserving one half of the surcharge funds collected for the Residential and  
8 Commercial Rebate Program.

9       44. Further, AEPCO has proposed a \$7.50 per watt invoice cap for PV and wind  
10 systems eligible for PBIs and has proposed a decrease in the incentive levels for systems eligible  
11 for PBIs. The Cooperatives have only recently begun to receive requests for PBI eligible  
12 installations and have not had sufficient experience with PBI eligible installations. Staff believes  
13 that the PBIs currently offered should remain in effect until further order of the Commission.  
14 Therefore, Staff does not believe that the proposed \$7.50 per watt invoice cap nor the lowered  
15 incentive levels for systems eligible for PBIs is in the public interest at this time.

16       45. Staff has reviewed the SunWatts Large-Scale Purchase Power & Generation  
17 Program and believes it should be approved without change. The AEPCO SunWatts Large-Scale  
18 Purchase Power Contract & Generation Program has the potential to significantly reduce the cost  
19 of renewable energy by installing and operating utility-sized renewable generating units. Staff  
20 believes the two potential projects, the Solar Plant-Tucson and the Wilcox Greenhouse  
21 Geothermal, should be approved without change.

22       46. AEPCO is continuing its PV for Schools Program and has decreased the budget by  
23 \$150,000, from last year's plan, to a maximum of \$30,000. In addition, AEPCO will not have a  
24 budget for its Habitat for Humanity Program which had a budget maximum of \$50,000 in its 2009  
25 REST Plan. AEPCO has stated that should there be any plans for a Habitat for Humanity home to  
26 be completed in the Cooperatives' service territories in 2010, the funds would come from the  
27 Rebate Program. Further, AEPCO will continue its Educational Grant Program with a maximum  
28 budget of \$15,000 (\$5,000 per service territory). Staff believes the PV for Schools Program,

1 Habitat for Humanity Program, and Educational Grant Program that are included in AEPCO's  
2 2010 Restated REST Plan should be approved without change.

3 47. Staff believes that the AEPCO's proposed budget of \$1,624,349 for 2010 is  
4 appropriate and will assist in meeting the REST Rules requirements.

5 **Staff Recommendations**

6 48. Staff has reviewed the AEPCO 2010 Restated REST Plan and Staff believes that  
7 the AEPCO 2010 Restated REST Plan will help the participating Cooperatives meet the  
8 requirements of the REST Rules. Staff recommends approval of the plan as specified herein. In  
9 addition, Staff recommends that the Commission approve AEPCO's proposed budget of  
10 \$1,624,349. Staff believes that the estimated total to be collected by the Cooperatives will help  
11 AEPCO meet its 2010 budget.

12 49. The Commission remains concerned that Arizona utilities are not adequately  
13 promoting and marketing to homeowners the availability of REST funds for residential distributed  
14 solar projects. While we appreciate and approve of AEPCO's outreach efforts, we would like to  
15 see the Company go further. Specifically, we believe it is in the public interest for AEPCO to  
16 participate in creating a joint website to be titled "Go Solar Arizona" with other ACC-regulated  
17 electric utilities that would make available to Arizonans at a minimum, information regarding the  
18 availability of all residential and commercial solar incentives, including utility rebates offered  
19 through the REST, as well as applicable state and federal tax credits; information about the RES;  
20 information regarding any relevant Commission sponsored workshops on renewable energy;  
21 information regarding the status of the utility's efforts toward meeting the Standard; and  
22 information regarding the geographical location of residential and commercial and utility scale  
23 systems in the Company's service territory.

24 50. Moreover, we believe this web site should make available twice monthly on the  
25 new web site at least the following information: the reservation request review date; the incentive  
26 program under which the incentive is being offered; the amount of the incentive offered; the size  
27 and nature of the systems (whether commercial or residential); the step in the reservation process  
28 each system is in at the time it is posted; total cost of the system; nameplate rating of the system;

1 current incentive application status; and the name of the installer of the system. We believe that  
2 providing this information will increase the transparency of the REST, provide customers and  
3 installers with greater information regarding the status of system reservations, and encourage  
4 competition among installers, thus benefiting ratepayers.

5 CONCLUSIONS OF LAW

6 1. Arizona Electric Power Cooperative, Inc. is an Arizona public service corporation  
7 within the meaning of Article XV, Section 2, of the Arizona Constitution.

8 2. Duncan Valley Electric Cooperative, Inc., Graham County Electric Cooperative,  
9 Inc., and Trico Electric Cooperative, Inc. are public service corporations within the meaning of  
10 Article XV, section 2, of the Arizona Constitution.

11 3. The Commission has jurisdiction over AEPCO, Duncan Valley Electric  
12 Cooperative, Inc., Graham County Electric Cooperative, Inc., and Trico Electric Cooperative, Inc.  
13 and over the subject matter of the application.

14 4. The Commission, having reviewed the application and Staff's Memorandum dated  
15 December 2, 2009, concludes that it is in the public interest to approve the Arizona Electric Power  
16 Cooperative, Inc. 2010 REST Plan as specified in this order.

17 ORDER

18 IT IS THEREFORE ORDERED that the Arizona Electric Power Cooperative, Inc. 2010  
19 REST Plan is approved as specified herein.

20 IT IS FURTHER ORDERED that the Arizona electric Power Cooperative, Inc. 2010 REST  
21 budget of \$1,624,349 is hereby approved.

22 IT IS FURTHER ORDERED that the current PBI incentive levels remain in effect until  
23 further Order of the Commission.

24 IT IS FURTHER ORDERED that AEPCO be allowed to transfer any allocated funds not  
25 used by a particular program to any other program during the Implementation Plan year.

26 IT IS FURTHER ORDERED that the participating Cooperatives amend their SunWatts  
27 Residential and Commercial Rebate Program reservation process to allow customers the option to  
28 assign the SunWatts credit purchase payment to the installer, if they choose.

1       IT IS FURTHER ORDERED that Arizona Electric Power Cooperative, Inc. shall  
2 participate in the creation of a new "Go Solar Arizona" web site, and Arizona Electric Power  
3 Cooperative, Inc. shall seek the participation of all ACC-regulated utilities for the purpose of joint  
4 operation of the web-site. The web-site will provide Arizonans at a minimum information  
5 regarding the availability of all residential solar incentives, including utility rebates offered  
6 through the REST, and state and federal tax credits; information about the RES; information  
7 regarding the status of Arizona Electric Power Cooperative, Inc. in meeting the Standard;  
8 information regarding the location, by postal zip code, of residential and commercial and utility  
9 scale systems statewide, and any "solar calculator" that is created by Arizona Electric Power  
10 Cooperative, Inc.

11       IT IS FURTHER ORDERED that Arizona Electric Power Cooperative, Inc. shall make  
12 publicly available, if applicable, twice monthly, via the new "Go Solar Arizona" web site at least  
13 the following information: the reservation request review date; the incentive program under which  
14 the incentive is being offered; the amount of the incentive offered; the size and nature of the  
15 systems (whether commercial or residential); the step in the reservation process each system is in  
16 at the time it is posted; total cost of the system; nameplate rating of the system; current incentive  
17 application status; and the name of the installer of the system.

18       IT IS FURTHER ORDERED that Utilities Division Staff shall annually file each  
19 November 1<sup>st</sup> beginning in 2010, a memorandum stating whether the Go Solar Arizona website is  
20 in compliance with this Decision, and if the website is not in compliance, Staff shall list the  
21 reasons why.

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1 IT IS FURTHER ORDERED that each participating Cooperative's Customer Self-Directed  
2 Tariff and the Voluntary RES Contribution Program Tariff, currently on file with the Commission,  
3 remain in effect until further Order of the Commission.

4 IT IS FURTHER ORDERED that this Order shall become effective immediately.

5 BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

6   
7 CHAIRMAN

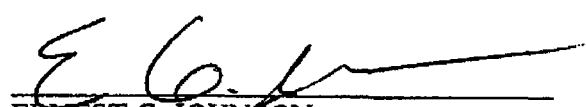
8   
9 COMMISSIONER

10   
11 COMMISSIONER

12   
13 COMMISSIONER

14   
15 COMMISSIONER

16 IN WITNESS WHEREOF, I ERNEST G. JOHNSON,  
17 Executive Director of the Arizona Corporation Commission,  
18 have hereunto, set my hand and caused the official seal of  
19 this Commission to be affixed at the Capitol, in the City of  
20 Phoenix, this 6<sup>th</sup> day of JANUARY, 2010.

21   
22 ERNEST G. JOHNSON  
23 EXECUTIVE DIRECTOR

24 DISSENT: \_\_\_\_\_

25 DISSENT: \_\_\_\_\_

26 SMO:CLA:lhmvWVC  
27  
28

1 SERVICE LIST FOR: Arizona Electric Power Cooperative, Inc.  
2 DOCKET NO. E-01773A-09-0335

3 Mr. Michael M. Grant  
4 Gallagher & Kennedy, PA  
5 2575 East Camelback Road  
6 Phoenix, Arizona 85016-9225

6 Mr. Steven M. Olea  
7 Director, Utilities Division  
8 Arizona Corporation Commission  
9 1200 West Washington Street  
10 Phoenix, Arizona 85007

10 Ms. Janice Alward  
11 Chief Counsel, Legal Division  
12 Arizona Corporation Commission  
13 1200 West Washington Street  
14 Phoenix, Arizona 85007

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# Exhibit

"4"

BEFORE THE ARIZONA CORPORATION COMMISSION

KRISTIN K. MAYES

Chairman

GARY PIERCE

Commissioner

PAUL NEWMAN

Commissioner

SANDRA D. KENNEDY

Commissioner

BOB STUMP

Commissioner

Arizona Corporation Commission

DOCKETED

JAN - 6 2010

DOCKETED BY

nr

IN THE MATTER OF THE APPLICATION  
OF TRICO ELECTRIC COOPERATIVE,  
INC. FOR APPROVAL OF RENEWABLE  
ENERGY STANDARD TARIFF

DOCKET NO. E-01461A-09-0449

DECISION NO. 71453

ORDER

Open Meeting  
December 22, 2009  
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. Trico Electric Cooperative, Inc. ("Trico" or "Company") is certificated to provide electricity as a public service corporation in the State of Arizona.

Background

2. On February 27, 2008, the Arizona Corporation Commission ("Commission") issued Decision No. 70168 which approved Trico Electric Cooperative, Inc.'s ("Trico") application for approval of its Renewable Energy Standard ("RES") Tariff. Trico's RES Tariff was associated with Arizona Electric Power Cooperative, Inc.'s ("AEP") Amended and Restated REST Plan ("Restated Plan") which was approved on July 30, 2007, in Decision No. 69728. AEP's Plan was filed on behalf of four of its Arizona member distribution cooperatives. The four distribution cooperatives were Trico, Duncan Valley Electric Cooperative, Inc. ("Duncan Valley"), Graham County Electric Cooperative, Inc. ("Graham County"), and Mohave Electric Cooperative, Inc. ("Mohave").

1           3.     On September 18, 2009, Trico filed its application for approval of its RES Tariff  
2 associated with AEPCO's 2010 REST Plan filed on June 30, 2009 (AEPCO filed its Amended and  
3 Restated 21010 REST Plan on November 6, 2009) and pursuant to Arizona Administrative Code  
4 ("A.A.C.") R14-2-1808. In addition, Trico is also submitting its proposed budget of \$1,233,442  
5 for its portion of the Restated Plan. Duncan Valley and Graham County have also submitted  
6 separate tariffs which include each Cooperative's individual budget for its portion of the Restated  
7 Plan. Trico's current RES Tariff was approved by the Commission on February 27, 2008, in  
8 Decision No. 70168. Decision No. 68073 established an adjustor mechanism for renewable energy  
9 costs.

10 Tariffs

11           4.     Staff has reviewed Trico's proposed RES Tariff which was filed in association with  
12 the AEPCO 2010 Restated Plan. Trico's proposed RES Tariff sets forth the surcharge rates and  
13 monthly maximums to be collected to fund its annual budget for 2010. The proposed tariff  
14 includes a surcharge of \$0.001663 per kWh for governmental and agricultural members/customers,  
15 which is an increase from the current REST surcharge of \$0.000875. The proposed monthly  
16 maximums for governmental and agricultural member/customers are \$24.70 per service and  
17 \$74.10 per service for governmental and agricultural members/customers whose demand is 3,000  
18 kW or more for three consecutive months.

19           5.     For residential and non-residential members/customers, Trico is proposing a  
20 surcharge of \$0.009477 per kWh, which is an increase from the current REST surcharge of  
21 \$0.004988. The proposed monthly maximum per service for residential members/customers is  
22 \$2.00. Trico is proposing a \$74.10 per service monthly maximum for non-residential  
23 members/customers. For non-residential members/customers whose demand is 3,000 kW or more  
24 for three consecutive months, the proposed monthly maximum is \$222.30 per service. The  
25 proposed kWh surcharges and monthly maximums ("caps") for Trico's proposed tariff, compared  
26 to the current REST maximums, are:

27 ...

28 ...

Customer Class/Category	Current		Proposed	
	Existing Surcharges	Existing Maximums/Caps	Proposed Surcharges	Proposed Maximums/Caps
Residential	\$0.004988	\$ 1.05	\$0.009477	\$2.00
Governmental & Agricultural	\$0.000875	\$ 13.00	\$0.001663	\$24.70
Governmental & Agricultural >3MW	\$0.000875	\$ 39.00	\$0.001663	\$74.10
Non-Residential	\$0.004988	\$ 39.00	\$0.009477	\$74.10
Non-Residential >3MW	\$0.004988	\$ 117.00	\$0.009477	\$222.30

6. Trico is also proposing to introduce a \$50.00 Inspection Fee. According to Trico's proposed tariff, the charge would be associated with the second inspection and subsequent inspections. The Inspection Fee would cover the increased costs associated with repeated inspections due to improper installations that do not meet the Cooperative's requirements. In addition, Trico has indicated that the costs of the additional inspections would be paid out of REST funds and allocated as administrative expenses. However, Trico did not provide information as to whether the costs for the proposed Inspection Fee would include labor costs for employees that are already being paid out of base rates. Staff does not believe that costs for the Inspection Fee should be included in the REST budget. Therefore, Staff does not believe that the proposed Inspection Fee is in the public interest.

7. The following table provides examples of sample Trico customers and the impact customers can expect to see.

Monthly Bill Impact				
Sample Customers	Average kWh	Current REST	Proposed REST	Difference
Farm	8,666	\$7.58	\$14.41	\$6.83
Convenience Store	18,133	\$39.00	\$74.10	\$35.10
Drug Store	271,280	\$39.00	\$74.10	\$35.10
Town of Sahuarita	141,380	\$13.00	\$24.70	\$11.70
Residential Customer	1,068	\$1.05	\$2.00	\$0.95

8. Trico has calculated that its RES Tariff will collect the following funds, by customer category:

RES Tariff Funding from Proposed Surcharge		
	Total \$	% Reaching Cap
Residential	\$859,316	91%
Governmental & Agricultural	\$85,782	16%
Governmental & Agricultural >3MW	-	0%
Commercial & Industrial	\$288,344	11%
Commercial & Industrial >3MW	-	0%
<b>Total</b>	<b>\$1,233,442</b>	

1           9.     Trico believes that the surcharge rates and the monthly maximums proposed in  
2 Trico's RES Tariff will be sufficient to fund its annual budget for 2010.

3           10.    Trico is not filing a revised Voluntary RES Contribution Program Tariff. The  
4 program allows members/customers to purchase 50 kWh blocks of green energy for an additional  
5 \$2.00 per block. In addition, Trico is not filing a revised Customer Self-Directed Tariff. Trico's  
6 current Customer Self-Directed Tariff allows eligible non-residential members/customers with  
7 multiple meters that pay more than \$25,000 annually in RES Surcharge funds to receive funds  
8 from the Cooperative to install Distributed Renewable Energy Resources.

9     **Budget**

10          11.    According to Trico, the RES funding from the RES surcharge is estimated to be a  
11 total of \$1,233,442. The AEPCO Restated Plan includes a total surcharge budget of \$1,624,349.  
12 Trico's \$1,233,442 fund plus the remaining two cooperatives' funds (Duncan Valley and Graham  
13 County) come to a total of \$1,626,653, according to information provided by each Cooperative.  
14 There is a difference of \$2,304 between the proposed total AEPCO fund amount and the total  
15 estimated amount based on information provided by each Cooperative. According to AEPCO, the  
16 Cooperatives do not anticipate any funds from 2009 will be carried over into 2010.

17     **Response to American Solar Electric, Inc.**

18          12.    On September 15, 2009, American Solar Electric, Inc. ("ASE") filed a letter in  
19 Docket No. E-01773A-09-0335 expressing several concerns it had with the 2010 REST Plan filed  
20 by AEPCO and specifically Trico's administration of the Rebate Program. According to ASE, it  
21 has a considerable customer base in Trico's service territory. As of the date of the ASE's letter,  
22 ASE indicated that it has twenty-four residential customer contracts at varying stages of  
23 completion which represent 150 kW of residential PV capacity.

24          13.    ASE's letter also addresses its concerns with Trico's reservation process and  
25 AEPCO's compliance with A.A.C. R14-2-1804 and R14-2-1805 of the REST Rules. Staff notes  
26 that A.A.C. R14-2-1814 substitutes for R14-2-1804 and R14-2-1805 upon Commission approval  
27 of an electric cooperative's REST Plan. First, ASE's letter stated that under Trico's current  
28 process, a customer must submit the request for a reservation, a signed contract, building permit,

1 system design schematic, and the application for interconnection, all in one package, without  
2 guarantee that funds have been reserved. Second, ASE's letter indicated that Trico does not  
3 provide adequate notice to customers regarding the status of a project approval.

4 14. ASE's letter further indicates that Trico's website indicated that the "SunWatts  
5 Program was out of money and would no longer be accepting reservations for incentives for the  
6 remainder of 2009." However, appendix 1 and 2 of ASE's letter which are printed pages from  
7 Trico's website do not indicate that Trico "would no longer be accepting reservations for  
8 incentives for the remainder of 2009." Trico's website indicated that "...rebate funds for 2009  
9 have been exhausted. Trico's rebate program is suspended until additional rebate monies are  
10 available." Staff understands this statement to explain that Trico is currently unable to provide  
11 incentives due to the lack of available funding for the Rebate Program. Staff does not believe that  
12 Trico's website indicated that it would no longer be accepting reservations for incentives. Trico  
13 has since revised its website to indicate that although funds have been exhausted, Trico is  
14 accepting reservations and the website provides an email address for questions.

15 15. According to AEPCO, although each Cooperative's process may vary slightly, the  
16 Cooperatives follow the general outline of the Uniform Credit Purchase Program ("UCPP").  
17 AEPCO has indicated that after a customer submits an enrollment form to the Cooperative, it is  
18 evaluated and determined if the requested project is eligible and if the enrollment form is complete  
19 with the required information. If it is determined that a project is not eligible or an enrollment  
20 form is in some way deficient, the Cooperative then notifies the customer of the application status  
21 and allows them to resubmit the necessary materials. If the enrollment form is sufficient and the  
22 project is eligible, it is then put on the Cooperative's reservation list (which has only recently been  
23 implemented due to the shortage of funds). All projects put on the reservation list would be  
24 funded in the order they were put on the list as additional funding becomes available. A customer  
25 is then notified if their project has been placed on the reservation list and informed that they must  
26 complete an interconnection agreement, submit a system schematic, provide copies of the project  
27 estimate, and supply all permits within sixty days of the project being accepted. Once a system is  
28 ...

1 installed, it is inspected by the Cooperative and interconnection verified. Finally, once a system  
2 passes inspections, the Cooperative processes the incentive, pending funding availability.

3 16. AEPCO has further indicated that projects eligible for PBIs also submit an  
4 enrollment form which is evaluated in the same manner as those projects eligible for UFI. With  
5 projects eligible for PBIs, however, once these projects are accepted by the Cooperative, the  
6 project is then put in a queue to compete against other projects in a competitive process. Projects  
7 are evaluated on a quarterly basis and are supported until funds for that period are no longer  
8 available.

9 17. Finally, ASE's letter makes the following recommendations regarding Trico's  
10 reservation process:

- 11 a. Trico's reservation process should make changes to conform to Arizona Public  
12 Service Company's ("APS") process: only a reservation request, signed contract or  
13 quote, and document assigning payment to the installer should be required in order  
14 to reserve incentive funds for the project;
- 15 b. Trico should allow the customer the option to assign the SunWatts credit purchase  
16 payment to the installer, rather than paying the customer directly;
- 17 c. Within 5 business days of receipt of a reservation request, Trico should provide the  
18 installer and customer with a confirmation notice that funds are reserved;
- 19 d. Within 10 business days of receipt of an interconnection application and system  
20 design schematic, Trico should provide the installer and customer a written notice  
21 of application status or a written Utility Design Approval ("UDA") letter
- 22 e. Within 5 business days of receipt of Authority Having Jurisdiction ("AHJ")  
23 clearance, Trico should provide the installer and customer a written notice with a  
24 schedule for system commissioning and meter swap; and
- 25 f. Trico should publish a quarterly REST compliance report modeled on the APS  
26 Quarterly Compliance Report.

27 18. Staff believes that the Cooperatives' reservation process described above is  
28 appropriate and does not believe the recommendations proposed by ASE are necessary. The  
reservation process has only recently been implemented due to the shortage of funds. However,  
Staff does agree that the Cooperatives should allow customers the option to assign the incentive  
payments to the installer, if they so choose. Staff notes that according to the Cooperatives, Duncan  
Valley does allow customers the option to assign incentive payments to the installer.

...

1 **Recommendations**

2       19. Staff has reviewed Trico's proposed tariffs and finds that they are consistent with  
3 A.A.C. R14-2-1808, R14-2-1809(A), and Appendix A: Sample Tariff of the Renewable Energy  
4 Standard and Tariff Rules. Staff has recommended the following:

- 5       a. Approval of Trico's Renewable Energy Standard Tariff;
- 6       b. Trico removes the \$50.00 Inspection Fee from its Renewable Energy Standard Tariff;
- 7       c. Trico's Voluntary Renewable Energy Standard Contribution Program Tariff, currently  
8 on file with the Commission, remains in effect until further Order of the Commission;  
9 and
- 10       d. Trico's Customer Self-Directed Tariff, currently on file with the Commission, remains  
11 in effect until further Order of the Commission.
- 12       e. Trico file a revised RES Tariff consistent with the Decision in this matter within 15  
13 days of the effective date of the Decision.
- 14       f. The Cooperatives should allow customers the option to assign the incentive payments  
15 to the installer, if they so choose

16       20. The Commission remains concerned that Arizona utilities are not adequately  
17 promoting and marketing to homeowners the availability of REST funds for residential distributed  
18 solar projects. While we appreciate and approve of the Trico's outreach efforts, we would like to  
19 see the Company go further. Specifically, we believe it is in the public interest for Trico to  
20 participate in creating a joint website to be titled "Go Solar Arizona" with other ACC-regulated  
21 electric utilities that would make available to Arizonans at a minimum, information regarding the  
22 availability of all residential and commercial solar incentives, including utility rebates offered  
23 through the REST, as well as applicable state and federal tax credits; information about the RES;  
24 information regarding any relevant Commission sponsored workshops on renewable energy;  
25 information regarding the status of the utility's efforts toward meeting the RES; and information  
26 regarding the geographical location of residential and commercial and utility scale systems in the  
27 Company's service territory.

28       21. Moreover, we believe this web site should make available twice monthly on the  
new web site at least following information: the reservation request review date; the incentive

1 program under which the incentive is being offered; the amount of the incentive offered; the size  
2 and nature of the systems (whether commercial or residential); the step in the reservation process  
3 each system is in at the time it is posted; total cost of the system; nameplate rating of the system;  
4 current incentive application status; and the name of the installer of the system. We believe that  
5 providing this information will increase the transparency of the REST, provide customers and  
6 installers with greater information regarding the status of system reservations, and encourage  
7 competition among installers, thus benefiting ratepayers.

#### 8 **Renewable Reporting**

9       22. The Commission is concerned that the current renewable reporting requirements  
10 provide insufficient detail on the progress of Trico's programs for the Commission and the public  
11 to accurately assess the Company's efforts toward meeting the REST. Access to information on a  
12 more regular basis would better inform the public and greatly improve monitoring of REST  
13 progress.

#### 14 CONCLUSIONS OF LAW

15       1. Trico Electric Cooperative, Inc. is an Arizona public service corporation within the  
16 meaning of Article XV, Section 2, of the Arizona Constitution.

17       2. The Commission has jurisdiction over Trico Electric Cooperative, Inc. and over the  
18 subject matter of the Application.

19       3. The Commission, having reviewed the application and Staff's Memorandum dated  
20 December 2, 2009, concludes that it is in the public interest to approve the Trico RES Tariff, as  
21 specified in this order.

#### 22 ORDER

23       IT IS THEREFORE ORDERED that the Trico Electric Cooperative, Inc. RES Tariff is  
24 hereby approved as discussed herein.

25       IT IS FURTHER ORDERED that Trico Electric Cooperative, Inc. shall file with Docket  
26 Control, as a compliance matter in this case, tariff pages consistent with the terms of the  
27 Commission's Decision within 15 days from the effective date of the Decision.

28       IT IS FURTHER ORDERED that Trico Electric Cooperative, Inc. shall participate in the

1 creation of a new "Go Solar Arizona" web site, and Trico Electric Cooperative, Inc. shall seek the  
2 participation of all ACC-regulated utilities for the purpose of joint operation of the web-site. The  
3 web-site will provide Arizonans at a minimum information regarding the availability of all  
4 residential solar incentives, including utility rebates offered through the REST, and state and  
5 federal tax credits; information about the RES; information regarding the status of Trico Electric  
6 Cooperative, Inc. in meeting the RES; information regarding the location of, by postal zip code,  
7 residential and commercial and utility scale systems statewide, and any "solar calculator" that is  
8 created by Trico Electric Cooperative, Inc.

9 IT IS FURTHER ORDERED that Trico Electric Cooperative, Inc. shall make publicly  
10 available, twice monthly, via the new "Go Solar Arizona" web site at least the following  
11 information: the reservation request review date; the incentive program under which the incentive  
12 is being offered; the amount of the incentive offered; the size and nature of the systems (whether  
13 commercial or residential); the step in the reservation process each system is in at the time it is  
14 posted; total cost of the system; nameplate rating of the system; current incentive application  
15 status; and the name of the installer of the system.

16 IT IS FURTHER ORDERED that Utilities Division Staff shall annually file each  
17 November 1<sup>st</sup> beginning in 2010, a memorandum stating whether the Go Solar Arizona website is  
18 in compliance with this Decision, and if the website is not in compliance, Staff shall list the  
19 reasons why.

20 ...

21 ...

22 ...

23 ...

24 ...

25 ...

26 ...

27 ...


28 ...

1 IT IS FURTHER ORDERED that Trico Electric Cooperative, Inc. shall disclose, on a  
2 quarterly basis via their website, their annual progress to date in meeting the annual REST  
3 requirement. At a minimum, Trico Electric Cooperative, Inc. shall disclose i) total and program  
4 year-to-date numbers of Megawatts and systems installed, broken out by technology type and  
5 residential and non-residential categories and ii) total amounts of monies remaining for the current  
6 program year with breakouts for residential and non-residential categories. Trico Electric  
7 Cooperative, Inc. shall provide this information going forward and additionally break out this  
8 information on a historical basis to date.

9 IT IS FURTHER ORDERED that this Order shall become effective immediately.

10 BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

11   
12 CHAIRMAN


  
13 COMMISSIONER

14   
15 COMMISSIONER

16 COMMISSIONER

  
17 COMMISSIONER

18 IN WITNESS WHEREOF, I ERNEST G. JOHNSON,  
19 Executive Director of the Arizona Corporation Commission,  
20 have hereunto, set my hand and caused the official seal of  
21 this Commission to be affixed at the Capitol, in the City of  
22 Phoenix, this 6<sup>th</sup> day of JANUARY, 2010.

23   
24 ERNEST G. JOHNSON  
25 EXECUTIVE DIRECTOR

26 DISSENT: \_\_\_\_\_

27 DISSENT: \_\_\_\_\_

28 SMO:CLA:lhmm/MAS

1 SERVICE LIST FOR: Trico Electric Cooperative, Inc.  
2 DOCKET NO. E-01461A-09-0449

3 Mr. John Wallace  
4 Grand Canyon State Electric  
5 Cooperative Association, Inc.  
6 120 North 44<sup>th</sup> Street, Suite 100  
Phoenix, Arizona 85034

7 Mr. Steven M. Olea  
8 Director, Utilities Division  
9 Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

10 Ms. Janice Alward  
11 Chief Counsel, Legal Division  
12 Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

**Exhibit**

**“5”**

Application Date	Installation Date	Address	Queue #	Rebate Amount (per Trico)	Letter Estimated Rebate	Paid (Y/N)
12/14/2009	3/24/2010	38261 S. Lake Crest Drive, Tucson, AZ 85739	110	\$ 15,640.00	2011 Timeframe	N
12/21/2009	3/5/2010	362 N. Slate Drive, Vail, AZ 85641	121	\$ 12,900.00	2011 Timeframe	N
1/27/2010	3/4/2010	PO Box 1641, Sahuarita, AZ 85629 (16651 S. Lone Heart Road, on Complaint)	141	\$ 25,600.00	September/October 2011	N
7/8/2009	12/12/2009	16391 W. Boots Place, Tucson, AZ 85736	33	\$ 16,000.00	May/June 2010	Y (6/10)
7/28/2009	11/11/2009	269 E. Forrest Freezer Street, Vail, AZ 85641	37	\$ 24,300.00	June/July 2010	N
7/27/2009	12/4/2009	17561 S. Indigo Crest Pass, Vail, AZ 85641	36	\$ 8,400.00	June/July 2010	N
11/17/2009	1/5/2010	1047 W. Camino Del Desierto, Green Valley, AZ 85614	81	\$ 17,200.00	Late 2010 to early 2011	N
10/16/2009	2/5/2010	201 N. Suntran Drive, Vail, AZ 85641	73	\$ 19,640.25	Late 2010 to early 2011	N
7/3/2009	2/3/2010	37987 S. Desert Highland Drive, Tucson, AZ 85739	32	\$ 7,095.00	May/June 2010	Y (6/10)
				<b>\$ 146,775.25</b>		

# Exhibit

"6"



A Touchstone Energy® Cooperative



December 18, 2009

Bill Rigg  
38261 S, Lake Crest Drive  
Tucson, AZ 85739

RE: Trico Sunwatts Program Application # 110

Dear Bill Rigg:

Trico Electric Cooperative, Inc.'s (Trico) has received and confirmed your SunWatts renewable generation program rebate application dated December 14, 2009.

The Trico SunWatts program participation has grown tremendously, particularly in the second half of 2009. This growth has resulted in a depletion of available Renewable Energy Standard & Tariff (REST) surcharge funds available for rebates. To meet the increase in rebate requests, Trico has submitted its 2010 REST Plan to the Arizona Corporation Commission, which includes an increase to the surcharge and a decrease in the rebate amount provided to each system. This revised plan will help Trico to adequately fund the SunWatts rebate program and provide rebate funds to more members wanting to participate. All applications (including yours) received prior to the effective date of the 2010 REST Plan will continue to receive funding at the levels of the current 2009 REST Plan.

To allocate the rebate funds on a first come basis, Trico has implemented a rebate reservation waiting list. Trico has placed your rebate request on the reservation waiting list based your application date. Your rebate is currently number 110 on the list. Trico estimates that it will not have funding available for your rebate until the 2011 timeframe.

In order to maintain your position on the reservation waiting list you will need to provide Trico proof of advancement, within 60 days of your application date. This includes such items as Contractor selection and an estimate of your projects cost. You will also need to complete your SunWatts project installation and have your system ready for inspection within six months of your application date. If you lose your position in the reservation list you will have the option to reapply for funding with the requirements and restrictions of the Trico REST Plan then in effect.

If you have any questions or concerns, please contact Trico's Sunwatts Desk at 520-744-2944 ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

A handwritten signature in cursive script, appearing to read 'Karen J. Cathers'.

Karen J. Cathers  
Chief Operating Officer



# TRICO

Electric Cooperative, Inc.

A Touchstone Energy® Cooperative



January 11, 2010

Frank & Diane Bowles  
362 N. Slate Drive  
Vail, AZ 85641

RE: Trico Sunwatts Program Application #121

Dear Frank & Diane Bowles:

Trico Electric Cooperative, Inc.'s (Trico) has received and confirmed your SunWatts renewable generation program rebate application dated December 21, 2009.

The Trico SunWatts program participation has grown tremendously, particularly in the second half of 2009. This growth has resulted in a depletion of available Renewable Energy Standard & Tariff (REST) surcharge funds available for rebates. To meet the increase in rebate requests, Trico has submitted its 2010 REST Plan to the Arizona Corporation Commission, which includes an increase to the surcharge and a decrease in the rebate amount provided to each system. This revised plan will help Trico to adequately fund the SunWatts rebate program and provide rebate funds to more members wanting to participate. All applications (including yours) received prior to the effective date of the 2010 REST Plan will continue to receive funding at the levels of the current 2009 REST Plan.

To allocate the rebate funds on a first come basis, Trico has implemented a rebate reservation waiting list. Trico has placed your rebate request on the reservation waiting list based your application date. Your rebate is currently number 121 on the list. Trico estimates that it will not have funding available for your rebate until the 2011 timeframe.

In order to maintain your position on the reservation waiting list you will need to provide Trico proof of advancement, within 60 days of your application date. This includes such items as Contractor selection and an estimate of your projects cost. You will also need to complete your SunWatts project installation and have your system ready for inspection within six months of your application date. If you lose your position in the reservation list you will have the option to reapply for funding with the requirements and restrictions of the Trico REST Plan then in effect.

If you have any questions or concerns, please contact Trico's Sunwatts Desk at 520-744-2944 ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

Karen J. Cathers  
Chief Operating Officer



A Touchstone Energy® Cooperative



3/12/2010

ANTHONY W WHITE  
PO BOX 1641  
SAHUARITA, AZ 85629

RE: Trico SunWatts Program Application # 141

Dear SunWatts Program Applicant:

This letter is to provide you documentation that Trico Electric Cooperative, Inc.'s (Trico) has received and confirmed your SunWatts renewable generation program rebate application dated 1/27/2010.

The Trico SunWatts program participation has grown tremendously, particularly in the second half of 2009. This growth has resulted in a depletion of available Renewable Energy Standard & Tariff (REST) surcharge funds available for rebates. To meet the increase in rebate requests, Trico has included in its 2010 REST Plan approved by the Arizona Corporation Commission, an increase to the surcharge and a decrease in the rebate amount provided to each system. This revised plan will help Trico to provide rebate funds to more members wanting to participate in the SunWatts program. Your application received after to the effective date of the 2010 REST Plan will receive funding at the levels of the current 2010 REST Plan.

To allocate the rebate funds on a first come basis, Trico has implemented a rebate reservation waiting list. Trico has placed your rebate request on the reservation waiting list based your application date. Your rebate is currently number 141 on the list. Trico estimates the current wait time for rebate funding is approximately twenty months from the time of reserving your position on the reservation waiting list.

If you have any questions or concerns, please contact Trico's Sunwatts Desk at 520-744-2944 ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

A handwritten signature in dark ink, appearing to read 'Karen J. Cathers'.

Karen J. Cathers  
Chief Operating Officer



# TRICO

Electric Cooperative, Inc.

A Touchstone Energy® Cooperative



September 22, 2009

Dusty Rayhel  
16391 W. Boots Place  
Tucson, AZ 85736

Re: Trico's SunWatts Program

Dear Dusty Rayhel,

Trico Electric Cooperative, Inc.'s ("Trico") has had a very successful year for its SunWatts Rebate Program ("Rebate Program"), receiving an unprecedented number of applications. Although we are pleased that the Rebate Program has gained popularity, we regretfully provide this notice that the funds allocated for the Rebate Program are temporarily exhausted.

Funding for the Rebate Program comes from the Renewable Energy Standard Tariff (REST), a surcharge placed on all members' bills. Trico pays SunWatts rebates as long as surcharge funds remain available. Due to a current shortage of SunWatts funds you may have a delay in receiving your rebate once the system is inspected. Pending approval from the Arizona Corporation Commission, Trico hopes to increase REST Surcharge collection in the near future.

Trico plans to provide funding first to those systems that have already received inspection. For applications received to date but not yet inspected, Trico has implemented a reservation process in which all applications have been placed in a queue for funding once inspection occurs based on the date of the application. Applicants must complete their inspection within six months of the application date to maintain your reservation.

If you have any questions or concerns, please contact Trico's SunWatts Desk at 520-744-2944, ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

Karen J. Cathers  
Manager of Contracts and Regulator Affairs



A Touchstone Energy® Cooperative



December 14, 2009

Dusty & Rhonda Rayhel  
16391 W. Boots Place  
Tucson, AZ 85736

RE: Trico SunWatts Program Application # 33

Dear Dusty & Rhonda Rayhel:

Trico Electric Cooperative, Inc.'s (Trico) has received and confirmed your SunWatts renewable generation program rebate application dated July 8, 2009.

The Trico SunWatts program participation has grown tremendously, particularly in the second half of 2009. This growth has resulted in a depletion of available Renewable Energy Standard & Tariff (REST) surcharge funds available for rebates. To meet the increase in rebate requests, Trico has submitted its 2010 REST Plan to the Arizona Corporation Commission, which includes an increase to the surcharge and a decrease in the rebate amount provided to each system. This revised plan will help Trico to adequately fund the SunWatts rebate program and provide rebate funds to more members wanting to participate. All applications (including yours) received prior to the effective date of the 2010 REST Plan will continue to receive funding at the levels of the current 2009 REST Plan.

To allocate the rebate funds on a first come basis, Trico has implemented a rebate reservation waiting list. Trico has placed your rebate request on the reservation waiting list based your application date. Your rebate is currently number 33 on the list. Trico estimates that it will have funding available to provide the rebate for your project in the May 2010 timeframe.

In order to maintain your position in the reservation waiting list you will need to complete your SunWatts project installation and have your system ready for inspection within six months of the funding being reserved for your system.

If you have any questions or concerns, please contact Trico's Sunwatts Desk at 520-744-2944 ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

A handwritten signature in cursive script that reads 'Karen J. Cathers'.

Karen J. Cathers  
Manager of Contracts and Regulatory Affairs



A Touchstone Energy® Cooperative



September 22, 2009

Douglass & Andrea Kinnison  
269 E. Forrest Freezer Street  
Vail, AZ 85641

Re: Trico's SunWatts Program

Dear Douglass & Andrea Kinnison,

Trico Electric Cooperative, Inc.'s ("Trico") has had a very successful year for its SunWatts Rebate Program ("Rebate Program"), receiving an unprecedented number of applications. Although we are pleased that the Rebate Program has gained popularity, we regretfully provide this notice that the funds allocated for the Rebate Program are temporarily exhausted.

Funding for the Rebate Program comes from the Renewable Energy Standard Tariff (REST), a surcharge placed on all members' bills. Trico pays SunWatts rebates as long as surcharge funds remain available. Due to a current shortage of SunWatts funds you may have a delay in receiving your rebate once the system is inspected. Pending approval from the Arizona Corporation Commission, Trico hopes to increase REST Surcharge collection in the near future.

Trico plans to provide funding first to those systems that have already received inspection. For applications received to date but not yet inspected, Trico has implemented a reservation process in which all applications have been placed in a queue for funding once inspection occurs based on the date of the application. Applicants must complete their inspection within six months of the application date to maintain your reservation.

If you have any questions or concerns, please contact Trico's SunWatts Desk at 520-744-2944, ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

A handwritten signature in dark ink, appearing to read 'K. J. Cathers', is written over the signature line.

Karen J. Cathers  
Manager of Contracts and Regulator Affairs



A Touchstone Energy® Cooperative



December 14, 2009

Douglas & Andrea Kinnison  
269 E. Forrest Fezor Street  
Vail, AZ 85641

RE: Trico SunWatts Program Application # 37

Dear Douglas & Andrea Kinnison:

Trico Electric Cooperative, Inc.'s (Trico) has received and confirmed your Sunwatts renewable generation program rebate application. In addition, Trico received notification that your system installation is completed and ready for inspection on November 11, 2009.

The Trico SunWatts program participation has grown tremendously, particularly in the second half of 2009. This growth has resulted in a depletion of available Renewable Energy Standard & Tariff (REST) surcharge funds available for rebates. To meet the increase in rebate requests, Trico has submitted its 2010 REST Plan to the Arizona Corporation Commission, which includes an increase to the surcharge and a decrease in the rebate amount provided to each system. This revised plan will help Trico to adequately fund the SunWatts rebate program and provide rebate funds to more members wanting to participate. All applications (including yours) received prior to the effective date of the 2010 REST Plan will continue to receive funding at the levels of the current 2009 REST Plan.

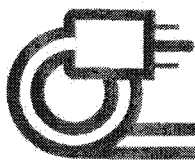
To allocate the rebate funds on a first come basis, Trico has implemented a rebate reservation waiting list. Trico has placed your rebate request on the reservation waiting list based on the date your system was completed and ready for inspection. Your rebate is currently number 37 on the list. Trico estimates that it will have funding available to provide the rebate for your project in the June 2010 timeframe.

If you have any questions or concerns, please contact Trico's SunWatts Desk at 520-744-2944 ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

A handwritten signature in cursive script that reads 'Karen J. Cathers'.

Karen J. Cathers  
Manager of Contracts and Regulatory Affairs



# TRICO

Electric Cooperative, Inc.

A Touchstone Energy® Cooperative



September 22, 2009

William & Dayne Sobeck  
17561 S. Indigo Crest Pass  
Vail, AZ 85641

Re: Trico's SunWatts Program

Dear William & Dayne Sobeck,

Trico Electric Cooperative, Inc.'s ("Trico") has had a very successful year for its SunWatts Rebate Program ("Rebate Program"), receiving an unprecedented number of applications. Although we are pleased that the Rebate Program has gained popularity, we regretfully provide this notice that the funds allocated for the Rebate Program are temporarily exhausted.

Funding for the Rebate Program comes from the Renewable Energy Standard Tariff (REST), a surcharge placed on all members' bills. Trico pays SunWatts rebates as long as surcharge funds remain available. Due to a current shortage of SunWatts funds you may have a delay in receiving your rebate once the system is inspected. Pending approval from the Arizona Corporation Commission, Trico hopes to increase REST Surcharge collection in the near future.

Trico plans to provide funding first to those systems that have already received inspection. For applications received to date but not yet inspected, Trico has implemented a reservation process in which all applications have been placed in a queue for funding once inspection occurs based on the date of the application. Applicants must complete their inspection within six months of the application date to maintain your reservation.

If you have any questions or concerns, please contact Trico's SunWatts Desk at 520-744-2944, ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

Karen J. Cathers  
Manager of Contracts and Regulator Affairs



A Touchstone Energy® Cooperative



December 14, 2009

William & Dayne Sobeck  
17561 S. Indigo Crest Pass  
Vail, AZ 85641

RE: Trico SunWatts Program Application # 36

Dear William & Dayne Sobeck:

Trico Electric Cooperative, Inc.'s (Trico) has received and confirmed your SunWatts renewable generation program rebate application dated July 27, 2009.

The Trico SunWatts program participation has grown tremendously, particularly in the second half of 2009. This growth has resulted in a depletion of available Renewable Energy Standard & Tariff (REST) surcharge funds available for rebates. To meet the increase in rebate requests, Trico has submitted its 2010 REST Plan to the Arizona Corporation Commission, which includes an increase to the surcharge and a decrease in the rebate amount provided to each system. This revised plan will help Trico to adequately fund the SunWatts rebate program and provide rebate funds to more members wanting to participate. All applications (including yours) received prior to the effective date of the 2010 REST Plan will continue to receive funding at the levels of the current 2009 REST Plan.

To allocate the rebate funds on a first come basis, Trico has implemented a rebate reservation waiting list. Trico has placed your rebate request on the reservation waiting list based your application date. Your rebate is currently number 36 on the list. Trico estimates that it will have funding available to provide the rebate for your project in the June 2010 timeframe.

In order to maintain your position in the reservation waiting list you will need to complete your SunWatts project installation and have your system ready for inspection within six months of the funding being reserved for your system.

If you have any questions or concerns, please contact Trico's Sunwatts Desk at 520-744-2944 ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

A handwritten signature in cursive script that reads 'Karen J. Cathers'.

Karen J. Cathers  
Manager of Contracts and Regulatory Affairs



# TRICO

Electric Cooperative, Inc.

A Touchstone Energy® Cooperative



December 14, 2009

Charles Smith  
1047 W. Camino Del Desierto  
Green Valley, AZ 85614

RE: Trico Sunwatts Program Application # 81

Dear Charles Smith:

Trico Electric Cooperative, Inc.'s (Trico) has received and confirmed your SunWatts renewable generation program rebate application dated November 17, 2009.

The Trico SunWatts program participation has grown tremendously, particularly in the second half of 2009. This growth has resulted in a depletion of available Renewable Energy Standard & Tariff (REST) surcharge funds available for rebates. To meet the increase in rebate requests, Trico has submitted its 2010 REST Plan to the Arizona Corporation Commission, which includes an increase to the surcharge and a decrease in the rebate amount provided to each system. This revised plan will help Trico to adequately fund the SunWatts rebate program and provide rebate funds to more members wanting to participate. All applications (including yours) received prior to the effective date of the 2010 REST Plan will continue to receive funding at the levels of the current 2009 REST Plan.

To allocate the rebate funds on a first come basis, Trico has implemented a rebate reservation waiting list. Trico has placed your rebate request on the reservation waiting list based your application date. Your rebate is currently number 81 on the list. Trico estimates that it will not have funding available for your rebate until the late 2010 to early 2011 timeframe.

In order to maintain your position on the reservation waiting list you will need to provide Trico proof of advancement, within 60 days of your application date. This includes such items as Contractor selection and an estimate of your projects cost. You will also need to complete your SunWatts project installation and have your system ready for inspection within six months of your application date. If you lose your position in the reservation list you will have the option to reapply for funding with the requirements and restrictions of the Trico REST Plan then in effect.

If you have any questions or concerns, please contact Trico's Sunwatts Desk at 520-744-2944 ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

Karen J. Calhers  
Manager of Contracts and Regulatory Affairs



A Touchstone Energy® Cooperative



October 29<sup>th</sup>, 2009

George & Barbara Geschwinder  
201 N. Suntran Drive  
Vail, AZ 85641

Re: Trico's SunWatts Program

Dear George & Barbara Geschwinder,

Trico Electric Cooperative, Inc.'s ("Trico") has had a very successful year for its SunWatts Rebate Program ("Rebate Program"), receiving an unprecedented number of applications. Although we are pleased that the Rebate Program has gained popularity, we regretfully provide this notice that the funds allocated for the Rebate Program are temporarily exhausted.

Funding for the Rebate Program comes from the Renewable Energy Standard Tariff (REST), a surcharge placed on all members' bills. Trico pays SunWatts rebates as long as surcharge funds remain available. Due to a current shortage of SunWatts funds you may have a delay in receiving your rebate once the system is inspected. Pending approval from the Arizona Corporation Commission, Trico hopes to increase REST Surcharge collection in the near future.

Trico plans to provide funding first to those systems that have already received inspection. For applications received to date but not yet inspected, Trico has implemented a reservation process in which all applications have been placed in a queue for funding once inspection occurs based on the date of the application. Applicants must complete their inspection within six months of the application date to maintain your reservation.

If you have any questions or concerns, please contact Trico's SunWatts Desk at 520-744-2944, ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

A handwritten signature in dark ink, appearing to read 'Karen J. Cathers'.

Karen J. Cathers  
Manager of Contracts and Regulatory Affairs



A Touchstone Energy® Cooperative



December 14, 2009

George & Barbara Geschwinder  
201 N. Suntran Drive  
Vail, AZ 85641

RE: Trico Sunwatts Program Application # 73

Dear George & Barbara Geshwinder:

Trico Electric Cooperative, Inc.'s (Trico) has received and confirmed your SunWatts renewable generation program rebate application dated October 16, 2009.

The Trico SunWatts program participation has grown tremendously, particularly in the second half of 2009. This growth has resulted in a depletion of available Renewable Energy Standard & Tariff (REST) surcharge funds available for rebates. To meet the increase in rebate requests, Trico has submitted its 2010 REST Plan to the Arizona Corporation Commission, which includes an increase to the surcharge and a decrease in the rebate amount provided to each system. This revised plan will help Trico to adequately fund the SunWatts rebate program and provide rebate funds to more members wanting to participate. All applications (including yours) received prior to the effective date of the 2010 REST Plan will continue to receive funding at the levels of the current 2009 REST Plan.

To allocate the rebate funds on a first come basis, Trico has implemented a rebate reservation waiting list. Trico has placed your rebate request on the reservation waiting list based your application date. Your rebate is currently number 73 on the list. Trico estimates that it will not have funding available for your rebate until the late 2010 to early 2011 timeframe.

In order to maintain your position on the reservation waiting list you will need to provide Trico proof of advancement, within 60 days of your application date. This includes such items as Contractor selection and an estimate of your projects cost. You will also need to complete your SunWatts project installation and have your system ready for inspection within six months of your application date. If you lose your position in the reservation list you will have the option to reapply for funding with the requirements and restrictions of the Trico REST Plan then in effect.

If you have any questions or concerns, please contact Trico's Sunwatts Desk at 520-744-2944 ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

A handwritten signature in dark ink, appearing to read 'Karen J. Cathers'.

Karen J. Cathers  
Manager of Contracts and Regulatory Affairs



A Touchstone Energy® Cooperative



December 14, 2009

James & Janet Fabio  
37987 S. Desert Highland Drive  
Tucson, AZ 85739

RE: Trico SunWatts Program Application # 32

Dear James & Janet Fabio:

Trico Electric Cooperative, Inc.'s (Trico) has received and confirmed your SunWatts renewable generation program rebate application dated July 3, 2009.

The Trico SunWatts program participation has grown tremendously, particularly in the second half of 2009. This growth has resulted in a depletion of available Renewable Energy Standard & Tariff (REST) surcharge funds available for rebates. To meet the increase in rebate requests, Trico has submitted its 2010 REST Plan to the Arizona Corporation Commission, which includes an increase to the surcharge and a decrease in the rebate amount provided to each system. This revised plan will help Trico to adequately fund the SunWatts rebate program and provide rebate funds to more members wanting to participate. All applications (including yours) received prior to the effective date of the 2010 REST Plan will continue to receive funding at the levels of the current 2009 REST Plan.

To allocate the rebate funds on a first come basis, Trico has implemented a rebate reservation waiting list. Trico has placed your rebate request on the reservation waiting list based your application date. Your rebate is currently number 32 on the list. Trico estimates that it will have funding available to provide the rebate for your project in the May 2010 timeframe.

In order to maintain your position in the reservation waiting list you will need to complete your SunWatts project installation and have your system ready for inspection within six months of the funding being reserved for your system.

If you have any questions or concerns, please contact Trico's Sunwatts Desk at 520-744-2944 ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

A handwritten signature in dark ink, appearing to read 'Karen J. Cathers'.

Karen J. Cathers  
Manager of Contracts and Regulatory Affairs

# Exhibit

“7”



**TRICO**  
Electric Cooperative, Inc.

A Touchstone Energy® Cooperative



September 14, 2009

Mr. Bruce Willey  
Salt River Solar & Wind, LLC  
13370 W. Fox Fire Drive, No. 104  
Surprise, Arizona 85374

Re: Trico's SunWatts Program

Dear Mr. Willey:

This letter is to inform you that Trico Electric Cooperative, Inc. (Trico) has exhausted the funds for the 2009 SunWatts Rebate Program ("Rebate Program"). Therefore, effective immediately, Trico must temporarily suspend its Rebate Program until additional monies become available.

Funding for the Rebate Program comes from the Renewable Energy Standard Tariff (REST), a surcharge placed on all members' bills. SunWatts rebates are paid as long as there are surcharge funds available. Pending approval from the Arizona Corporation Commission, Trico hopes to increase REST Surcharge collection in the future.

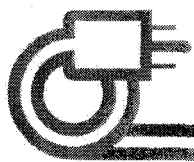
If you have any questions or concerns, please contact Trico's SunWatts Desk at 520-744-2944, ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

Charlie N. Emerson  
Manager of Technical Services

**Exhibit**

**“8”**



# TRICO

Electric Cooperative, Inc.

A Touchstone Energy® Cooperative



September 22, 2009

Salt River Solar & Wind  
13370 W. Foxfire Dr. #104  
Surprise, AZ 85374

Re: Trico's SunWatts Program

Dear Salt River Solar & Wind,

Trico Electric Cooperative, Inc.'s ("Trico") has had a very successful year for its SunWatts Rebate Program ("Rebate Program"), receiving an unprecedented number of applications. Although we are pleased that the Rebate Program has gained popularity, we regretfully provide this notice that the funds allocated for the Rebate Program are temporarily exhausted.

Funding for the Rebate Program comes from the Renewable Energy Standard Tariff (REST), a surcharge placed on all members' bills. Trico pays SunWatts rebates as long as surcharge funds remain available. Due to a current shortage of SunWatts funds you may have a delay in receiving your rebate once the system is inspected. Pending approval from the Arizona Corporation Commission, Trico hopes to increase REST Surcharge collection in the near future.

Trico plans to provide funding first to those systems that have already received inspection. For applications received to date but not yet inspected, Trico has implemented a reservation process in which all applications have been placed in a queue for funding once inspection occurs based on the date of the application. Applicants must complete their inspection within six months of the application date to maintain your reservation.

If you have any questions or concerns, please contact Trico's SunWatts Desk at 520-744-2944, ext. 1524 or via email at [sunwatts@trico.coop](mailto:sunwatts@trico.coop).

Sincerely,

Karen J. Cathers

Manager of Contracts and Regulator Affairs